

# The NATIONAL UNDERWRITER

*Life Insurance Edition*

INSURANCE WITH  
IMAGINATION

**MONEY IN YOUR POCKET** . . . yes, that's what happens when you sell Union Mutual's Noncancelable Guaranteed Renewable Disability Income Protection . . . considered the best sickness and accident coverage on the market today by leading life underwriters. But most important are the *extra plus values* with a Union Mutual Non-Can . . . for example . . .

## PLUS

If total disability lasts 90 days or more, all premiums falling due from *date of disability* are waived.

Liberal interpretation of the term "Total Disability." Partial disability benefits for *sickness* and *accident* following total disability.

Number of claims unlimited and no average earnings clause.

Last but by no means least, a merchandising plan second to none, including sales talk, direct mail, national and local advertising. Write for booklet, "Money in Your Pocket" at once.

*Today it's the PLUS values that make the difference!*

## UNION MUTUAL

LIFE INSURANCE COMPANY \* Home Office  
Portland, Maine \* Rolland E. Irish, President



FRIDAY, NOVEMBER 28, 1952

# FIDELITY

## well-balanced

A well-balanced company is, we believe, a company

- ... whose financial position is strong
- ... whose geographical market embraces a balance of metropolitan, town and rural areas
- ... whose policy contracts include all fundamental coverages . . .

It is a company

- ... whose contributions to its industry have been recognized as outstanding
- ... whose growth has been steady and uniform
- ... whose size is sufficiently large to assure confidence and prestige
- ... whose management, nevertheless, has never lost the common touch with agent and policyholder
- ... whose reputation as a friendly company has been consistently upheld

Fidelity is a well-balanced company



The  
**FIDELITY MUTUAL  
LIFE INSURANCE COMPANY**  
THE PARKWAY AT FAIRMOUNT AVENUE  
PHILADELPHIA • PENNSYLVANIA



## THE BEST COMPANY???

Which is "The Best Company?" Probably no two persons have exactly the same answer to this query, but we like this one from Woody Woodson: "The Best Company Is The Company In Which You Are Insured."

Makes sense, doesn't it?

We think the best company for each individual is his company: the company in which he is insured—for whom he works.

Our company—the WASHINGTON NATIONAL—offers: all forms of personal protection insurance on individuals and groups (life, accident, health, hospitalization); lib-

eral Savings and Profit Sharing Pension Fund for its hard-working employees; salable policies, attractive commissions, functional sales tools for its satisfied fieldmen.

These, and many others, are reasons why we believe that in Evanston, Illinois, along the banks of Lake Michigan, we have "The Best Company."

Throughout the Nation our system of offering attractive career opportunities to qualified fieldmen who are looking to the future is gaining in popularity.

We welcome your inquiry.

## WASHINGTON NATIONAL INSURANCE COMPANY

EVANSTON, ILLINOIS

H. R. KENDALL, Chairman

R. J. WETTERLUND, President

G. P. KENDALL, Secretary



The Name

*Mutual Trust*

describes the relationship between the Company and its policyholders and Field Force. This relationship has been built on:

1. A purely mutual operation.
2. A General Agency foundation.
3. Net level premium reserves.
4. Very low net cost.
5. A strong surplus.
6. Flexible settlement options.
7. Its stable territory:

III. . Ind. . Ia. . Mich. . Minn. . N.D. . Ohio . Wash. . Wis.  
N.Y. . Conn. . Mass. . N.H. . N.J. . Pa. . R.I. . Vt.

Exceptional Field Opportunities available . . .  
Write to the Agency Secretary.

*Mutual Trust*  
LIFE INSURANCE CO.

Home Office: 135 South La Salle Street, Chicago 3, Illinois

## CIO Sees Verdict on N. Y. Expense Law as Partial Victory

But Court's Suggestion  
that Bargaining Proceed  
Seems to Mean Little

NEW YORK—Though its suit to have the New York expense limitation law declared unconstitutional was dismissed by Judge Gavagan in New York supreme court, the CIO feels it has gained a partial victory.

Basis for this is the statement in Judge Gavagan's opinion: "Let it [John Hancock] negotiate with these plaintiffs, or failing to negotiate, let its good faith be determined in the proper forum."

The CIO takes this to mean that as far as the New York supreme court is concerned Hancock can go ahead and negotiate on a new compensation basis and if the company thinks the new basis would exceed the limitations of sections 213 or 213-a it can then seek a declaratory judgment.

The CIO's position is that its suit for declaratory judgment and petition for an injunction posed two questions:

1. Does section 213 or 213-a bar the John Hancock from negotiating a compensation contract that might exceed the restrictions of the New York expense limitation statute?

2. Does the law prohibit a company from paying what it might agree to pay under a collective bargaining agreement even though payments would exceed the provisions of sections 213 or 213-a?

The CIO contends that Judge Gavagan answered the first question in its favor and that now the Hancock must bargain on compensation without regard to 213 or 213-a limits or else risk being cited to the national labor relations board for failure to bargain in good faith.

There is some question, however, whether the issue is quite so clear as the CIO makes out. While the union has emphasized the role of the expense limitation statute in the Hancock's attitude, it was brought out during the argument on the issues before Judge Gavagan that there were factors besides the section 213 and 213-a limits behind the Hancock's feeling that the company had gone about as far as it could in boosting the compensation basis of its debit agents.

At the bargaining conferences last spring the Hancock indicated to the union that the margins under the expense statute were so close to being used up that no further compensation increases could be effected. The company also made it clear that there were other reasons why it felt there should be no further boosts and that even if it could pay more under the law by reason of its being amended it would not necessarily do so, since the company had to be mindful also of the interests of other employees and the policyholders.

The union asked to have this put in the form of a letter. The company supplied this, stressing mainly the statutory restriction. This the union used in its suit. Later the Hancock, to avoid any possible misunderstanding, reiterated what it had brought out in the

## Departments Getting Too Bureaucratic, Fischer Declares

DES MOINES—Commissioner Fischer in an address before Iowa Assn. of Mutual Insurance Assns. struck out against the bureaucratic tendencies of some insurance departments.

"It is very easy for a department such as ours to tend to become bureaucratic," Mr. Fischer declared. "The temptation is constantly there and some insurance commissioners, owing to the complexities of regulations are captives of their own technicians."

The Iowa commissioner stated that such a condition is not good for the department and "certainly is not good for the business."

"I am absolutely opposed to what I am pleased to term as slide rule supervision and the ever growing disposition on the part of some to place your business in a technical straitjacket."

"We see too much of man-made authority in Washington and I should like to say now that as long as I am commissioner we will attempt to avoid emulation of the practices of the present national administration."

## Peterson, Patton and Rowe Are Illinois Possibilities

Added to the list of possibilities for appointment as Illinois insurance director by Governor-Elect Stratton is Richard Yates Rowe of Jacksonville. Mr. Rowe was one of the Republican aspirants for governor. He is a local insurance agent at Jacksonville and the Rowe family at one time operated a life and A. & H. insurance company known as American Bankers, that was an outgrowth of the old Cloverleaf Life & Casualty.

Another possibility is Jack Peterson of Chicago who is identified with George Barrett, former attorney general of the Chicago firm of Barrett, Barrett, Costello and Barrett. Mr. Barrett is the principal factor in Prudence Life and Prudence Mutual Casualty, and Mr. Peterson is special agent for the latter company.

Still another name mentioned in the speculation is Robert D. Patton, a Springfield lawyer. He is said to have been a strong Stratton supporter. Nellis Parkinson of Central Standard Life, who is a former Illinois director under a Republican administration, and who had been mentioned in these pages as a possibility said that there is not the remotest chance that he will return to that office.

spring bargaining conferences — that there were other reasons besides the limitations statute for declining to boost compensation.

In view of these considerations it seems unlikely that the Hancock would agree to anything at this point that would boost its debit agents' pay to any significant extent. These agents were averaging \$43.92 a week in 1940. By 1951 they were averaging \$93.29 a week, or a 212% increase over 1940 at the same time that the cost of living index rose 185%. For the first nine months of 1952 the debit agents were averaging \$99.38 up 226.3% from 1940 as against a cost of living index increase of 189.6%. Currently they are averaging about \$102 a week.

Naturally, there are also competitive considerations for the company to bear in mind. If it increases its acquisition

## Los Angeles Is Ordinary Production Leader for October

Los Angeles placed first among the large cities in ordinary production for October with a 23% increase over October of last year, according to L.I.A.M.A.

Gains of 18% placed Detroit and Philadelphia next in October ratings, while Cleveland led for the first 10 months with a 17% increase in ordinary sales.

October production leaders among the states showed Louisiana first with a 45% jump over October of last year. Wyoming was second with a 39% gain, and Idaho was next at 35%. Arizona led for the first 10 months with an increase of 31% over the same period of last year. Kansas, Louisiana, and New Hampshire sales through October were up 25%, placing the three in a second place tie.

Countrywide sales for October were up 17% over the same month of last year, while sales through the first 10 months were up 14% over the same period a year ago.

## Burt Resumes S.D. Commissioner Post

George Burt is returning from army duty and is due to resume his position as South Dakota insurance commissioner Dec. 1. His place has been held open for him, with Don Mitchell having been serving as acting commissioner. Mr. Burt's father was South Dakota commissioner some years ago.

Mr. Burt has been a major station at University of South Dakota.

## Two New Possibilities for Ind. Commissioner

J. Russell Townsend, general agent of Equitable of Iowa at Indianapolis, and Harry Wells, former chief examiner of the Indiana department, are being mentioned by Indianapolis newspapers as the leading "contenders" for the job of commissioner.

Previous speculation had been that either Linn S. Kidd, Brazil, Ind., or Glenn J. May, Spender, had "first refusal" of the \$8,000-a-year post. Both are local agents and Mr. May is a former president of Indiana Assn. of Insurance Agents. Both, however, have announced that they are not interested. Neither Mr. Townsend, a former legislator, nor Mr. Wells has made any public commitment.

## Names Beck to Head VA Insurance Operations

WASHINGTON — Veterans Administrator Gray has announced that he is giving "autonomy" to his department's insurance operation under the direction of Charles G. Beck as insurance deputy.

Under the recent VA reorganization plan, 13 insurance offices were abolished, and five continued at Philadelphia, Fort Snelling, Minn.; Denver, Dallas and Atlanta.

costs the increase could be a factor in meeting competition.

There appears to be no prospect whatever that the Hancock would agree on a scale that would exceed the statu-

(Continued on page 16)

## DeWitt to Be New Travelers President Succeeding Randall

Present Chief Plans  
Dec. 22 Retirement;  
to Hold Open House

HARTFORD—After its board meeting Monday Travelers announced that President Jesse W. Randall, in order to feel free to carry out his plan to make his home in Florida, expected to retire Dec. 22, the day of the next meeting of the board.

Regarding Mr. Randall's successor, Francis W. Cole, chairman, said that the board intended to elect J. Doyle DeWitt president at the December board meeting.

Mr. Randall, who sold his home here and purchased another in Winter Park, Fla., expects to spend Christmas at his Florida residence. He plans to hold "open house" in his office the afternoons of Dec. 15, 16, 17 and 18 for the purpose of saying goodbye to employees, his business associates and friends. He is now in the process of resigning from his directorships in local concerns as well as his church and community service affiliations and does not intend to return to Hartford except for an occasional visit.



J. Doyle DeWitt

Born in Connecticut, almost within sight of the spot where the Travelers Tower now stands, Mr. Randall has lived in the state all his life except for brief periods when he was assigned to the Springfield, Worcester and Boston offices. He joined the company in 1905 as a mail clerk and rose to become one of the foremost figures in the insurance field. As he retires, the Travelers companies are the largest multiple-line organization in North America.

Mr. Randall's career is a typical example of the American business man who came up through the ranks to president of his company. He was transferred from the mail room to the filing vaults, then to the underwriting division of the indemnity department. Feeling that experience in the field would provide a deeper insight into underwriting problems, he asked for an appointment as a special agent and, in 1910, he was assigned to Springfield. Within three years he was given responsibility for all casualty lines at Springfield and, later that year, was appointed manager of casualty lines at Worcester. In 1914 an opportunity presented itself to move to a larger office, Boston. Despite the fact that the move involved what might have appeared to be a demotion from the post of manager to one of assistant manager, he sought and obtained the Boston assignment.

In less than two years he was recalled to Hartford where he was short-

(Continued on page 16)

## Lincoln National's Index Rates Value of Agencies' Production

Persistency, average size of policy, acquisition expense, and volume of business are all vitally important in appraising the value of business produced by an agency, but how do you compare the quality of business produced by individual agencies when, as usually happens, their scores on any where up to all four of these key factors are different?

Lincoln National Life has evolved an index that has been used for some years to evaluate new business. The agency department has found it an extremely useful tool, so much so that when the index was not computed a few years ago when the actuaries felt that the introduction of the CSO tables and the greater relative volume of participating business had impaired the index's validity, the agency executives were insistent that the index be reformulated as quickly as possible.

### Needs Actuarial Computations

According to Assistant Secretary W. W. Steffen, who revised the agency index, it is extremely difficult to compare the value of business produced by different agencies having varying characteristics, without the use of actuarial computations and analyses.

The agency executive wants to know the financial value to the company of a block of business produced by a given agency, how the value of the business produced is affected by varying certain characteristics of the business, such as persistency, mortality, etc.; and the company's initial investment in the business of this agency.

A basic part of the Lincoln National index is a composite policy designed to average up all the new business the company writes. All ordinary business is lumped in—life, endowment, term, participating, and non-par, standard and sub-standard. Each item is properly weighted to reflect its relative volume.

### Variations Not Important

Offhand this might seem to risk an injustice to agencies whose business varies from the company's typical pattern. The answer is that these variations are of much less relative significance and any attempt to take them into account would make the method impossibly cumbersome. It could involve computing the discounted value of all future margins resulting from assets share calculations for each individual policy issued. As a practical matter, this is an impossibility. However, in order to measure the effect of the differences in the characteristics of the business produced by various agencies, certain important individual factors are varied in the composite policy.

The initial investment and the margins per \$1,000 are the result of discounting the differences between the premiums received and the sum of the commissions, premium taxes, overhead expenses, field acquisition expenses, mortality costs, surrender costs, dividend costs and the cost of the increase in reserves. These margins were discounted with interest and mortality to arrive at the discounted profit per \$1,000 of paid-for business. The calculations were made so as to cover a 10-year period.

### Formula Available

Anyone interested in the actual calculations can obtain them by writing to Mr. Steffen, at the home office in Fort Wayne, Ind., for a copy of the paper he delivered at a meeting of the Fraternal Actuarial Assn.

It was the company's feeling that the most important items subject to field force control were first year field acquisition expense, average size of policy, and the persistency rate.

Indices of value computations were made for a composite policy with first

year lapse rate assumptions varying for each quinquennial lapse rate from zero to 100%. These computations were the basis of a complete set of tables for computing the index of value for any combination of first-year lapse rate, average size of policy and field acquisition expense. The index of value for any given agency is computed from a formula which takes into account the index of value per \$1,000 for the composite policy; with adjustments for variations from the company average in the field acquisition expense and average size policy. Mr. Steffen warns that not too much credence should be placed on the absolute size of the indices developed, for they serve primarily for comparison purposes.

### Can Vary Formula

Besides persistency, average size of policy, and field acquisition expense, certain other characteristics of paid business, such as mortality, distribution by age, plan, term rider and basic policy, participating and non-par business, may be taken into account by additional computations. However, the addition of another varying item will complicate the calculations considerably and Mr. Steffen says it is doubtful whether additional factors will have an appreciable effect on the final result.

Certain of these factors don't seem to be within the control of the field forces and even though differences may exist it hardly seems equitable to recognize them in this type of calculation. For example, it is admitted that field forces are able to influence mor-

tality to a certain extent but it is also true that the company's underwriting methods are designed to smooth out variations in mortality.

### Could Vary by Area

It is also known that certain variations in mortality exist by geographical area, but it is thought that these variations wouldn't materially affect the final result. Even if a variation in mortality was significant, the equity of assessing individual agencies with dif-

The company's first-year investment is the negative margin for the first policy year in the composite policy computations. By substituting the appropriate values in the mathematical formula that is used, the first year investment per \$1,000 of paid business can be quickly and simply computed for the production of any agency for comparison with the average first-year investment by the company in its business as a whole. The accompanying table shows some illustrative re-

Agency	First Lapse Rate	Year Rate	Acquisition Expense	Average Amount	BASIC FACTORS		Indicated First Year Investment Per \$1,000 Total	Indicated 10- Year Margin Per \$1,000 Total
					\$	\$		
Agency A	15%	80.0%	2,631	1,134,100	8.78	9.957	4.88	5.534
Agency B	20	91.2	2,776	1,956,400	11.32	22.146	2.13	4.167
Agency C	19	82.9	5,612	1,701,400	4.33	7.367	10.62	18.069
Agency D	27	72.5	1,754	217,500	11.34	2.466	4.45	.98
Agency E	39	100.7	4,339	467,700	10.07	4.710	.87	.407
Agency F	13	70.0	1,500	51,600	13.55	.699	.130	.67
Agency G	14	101.0	3,709	1,801,600	11.88	21.403	3.35	6.035
Agency H	20	127.3	3,833	445,900	18.80	8.383	-4.64	-2.069
Agency I	0	70.0	5,906	179,100	1.06	.190	17.80	3.188
Agency J	31	75.0	15,331	1,425,600	-1.13	-1.611	14.48	20.643
Agency K	15	80.0	3,000		7.65		6.89	
Agency L	30	80.0	3,000		7.22		4.68	
Agency M	15	100.0	3,000		13.22		1.33	
Agency N	15	80.0	10,000				1.62	14.74
Agency O	30	100.0	3,000		12.79		.89	
Agency P	30	80.0	10,000		1.19		12.15	
Agency Q	15	100.0	10,000		7.19		9.18	
Agency R	30	100.0	10,000		6.76		6.58	

ferences in mortality is a moot question, Mr. Steffen observes.

Lincoln National doesn't make regular studies of the mortality by agency, and as a general rule doesn't consider this item in making comparisons between agencies. However, if a substantial difference in mortality were known to exist as a characteristic of the business of a particular agency, consideration could be given to this item by a special calculation.

sults of the application of the index of value formula and the first-year investment formula.

The figures for agencies A to J are taken from a report of the same form made annually to the officers of the Lincoln National. The figures for agencies K to R only show the index of value per \$1,000 to illustrate the first-year investment and the differences for certain illustrative variations in the lapse rate, average size policy and field acquisition expense. The figures in the total columns are the result of multiplying the unit factors by the amount of insurance paid for.

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## The COMMONWEALTH Commentary

### With Two Months To Go . . .

With two months to go in the current year, Commonwealth is still tearing out its intensive productive schedule with the following percentages of increase in paid business over the first ten months of 1951:

	Weekly Premium	Ordinary	Total Sales
Commonwealth	23%	32%	25%
Industry Average	4%	14%	11%

Insurance in Force, November 1—\$595,175,426

## COMMONWEALTH Life Insurance Company

HOME OFFICE • LOUISVILLE, KY.



## N. W. Mutual Boosts 1953 Dividend Scale

An increase has been made in the 1953 dividend scale of Northwestern Mutual Life. The present scale has been in effect with but minor adjustment since 1949. The increase is attributed to several factors, including savings effected by an unusually favorable mortality experience and a gain in investment income due to improved interest earnings. These have been partially offset by increased operating expenses and higher taxes.

The new scale applicable to policies issued after Jan. 1, 1947, is increased at almost all points and in no case is it decreased. On previous business, the 1953 dividend will be an increase for most policies.

Dividends to be paid in 1953 are estimated at \$45 million, which compares with \$41,500,000 for 1952. About one-half of the increase is due to company growth in the number of policies receiving dividends.

The rate of interest allotted on proceeds of policies left with the company under options of settlement and on dividend accumulations, will remain at 2.75%, except where a higher rate is guaranteed.

### Hancock Host to Families

John Hancock was host to 12,000 home office employees and their families, including 700 pre-school children, for the Family Day tour of the home office. Stops were made at each department where the families viewed demonstrations and exhibits of the work done there.

Home office executives of Great-West Life are conducting an extra-curricular course on life insurance organization for senior students of commerce at University of Manitoba.

## Program Lined Up for Insurance Teachers at Chicago

"The Basic Survey Course in Insurance" will be the subject of a symposium at the morning session of the convention of American Assn. of University Teachers of Insurance at the Morrison hotel, Chicago, Dec. 29. Charles C. Center of University of Wisconsin will conduct this. The participants will be W. T. Beadle, Illinois Wesleyan; John S. Bickley, Ohio State; David A. Ivy, University of Connecticut; and Ralph H. Wherry, Pennsylvania State.

During the afternoon there will be a panel discussion on the revision of section 213 of the New York insurance law, the moderator being Robert I. Mehr, University of Illinois. Speakers will be Daniel J. Lyons, second vice-president of Guardian Life, and Spencer L. McCarty, executive secretary of New York State Assn. of Life Underwriters.

Then there will be a panel on "Automobile Insurance—a Major Property Insurance Problem." Banquet speaker will be Dr. G. F. Tegtmeyer, medical director of Northwestern Mutual Life.

### U. S. Chamber of Commerce to Poll Members on SS Plans

WASHINGTON—U.S. Chamber of Commerce will poll members on whether they favor a pay-as-you-go plan of social security, or retention of the several separate programs that cover only a portion of the retired aged.

The poll will determine chamber policy on all social security matters.

Proposals for the referendum were approved by the board. Ballots will be mailed about Dec. 1, and a 45-day voting period will be allowed.

A "yes" vote for the pay-as-you-go plan would approve the principle of combining OASI, old-age assistance, railroad retirement, civil service, and other retirement systems into one plan with minimum benefits, and elimination of the problem of future unprotected aged.

It would also approve benefits to all retired aged not currently protected, and eliminate federal subsidies to states for old-age assistance.

A "no" vote would continue the chamber's present policy which favors expansion of OASI benefits despite its hidden future deficit. It would also give tacit approval to other programs which compete with OASI for higher benefits in spite of financial hazards.

### Hancock Advances Hill

John Hancock has advanced John M. Hill, III, assistant counsel since 1946, to associate counsel. Mr. Hill joined the company in 1942. He is a graduate of Harvard law school, and an army veteran.

### Leslie to Company Post

Charles K. Leslie, Jr., who has been assistant casualty actuary of the Texas department, has resigned from that post to become vice-president and secretary of the newly organized Southwest American Life of Houston.

**Honor John Hancock Blood Donors**  
War Veterans Assn. of John Hancock honored 16 members of the company's Galion Club, who have given eight or more pints of blood to the Red Cross blood bank. Certificates were presented to 11 men and five women by President Paul F. Clark.

## Early 1953 Dividend Action as Announced by Companies

Company	Funds Left With Company					Company	Funds Left With Company				
	Current Policies	Old Policies	Non-withdrawable %	Withdrawable %	Accum. Div'ds. %		Current Policies	Old Policies	Non-withdrawable %	Withdrawable %	Accum. Div'ds. %
Actua Life .....	Approx. 13% Inc.	Approx. 13% Inc.	2.75	2.75	2.75	Midland Mut. .....	"	"	2.5	2.5	3
American Mutual, Ia. ....	Same as '52	Same as '52	3	3	3.25	Midwestern United .....	"	"	3	2.5	3
Baltimore Life .....	"	"	2.5	2.5	Guar. Rate	Modern Woodmen .....	"	"	3	3.5	3.5
Bankers Mutual .....	"	"	2.5	2.5	3	Montreal Life .....	Same as '52	"	3.5	3.5	3.5
Bankers Union .....	"	"	2.5	2.5	4	Nat. Guardian .....	"	"	2.25	2	3.25
B. A. R. E. ....	Approx. 12% Dec.	"	3	3	3	National Vt. ....	Approx. 5% Inc.	"	3	3	3
College Life .....	Same as '52	Same as '52	3	3	3	Nat'l Travelers, Ia. ....	Same as '52	Same as '52	2.5	2.5	2.5
Conn. Mutual .....	Approx.	Approx.	3.25	3.25	3	Northern, Can. ....	Approx. 10% Inc.	"	3.5	3.5	3.5
Continental Amer. ....	Same as '52	Same as '52	3	3	2.75	Pacific Mutual .....	"	"	3	3	3
Country Life .....	"	"	2.5	2	2.5	Penn Mutual .....	"	"	2.5	2.5	2.5
Cuna Mutual .....	"	"	2	2	3	Phila. Life .....	"	"	3	3	3
Fidelity L. & D. ....	"	"	3	3	3	Phoenix Mutual .....	"	"	2.5	2	3
Fidelity Union .....	Non-Par only	"	3	2.5	3.5	Pioneer Mutual .....	"	"	(e)	(e)	3.5
Golden State Mut. ....	Same as '52	"	Guaranteed Rate	Guaranteed Rate	Guaranteed Rate	Presby. Ministers .....	"	"	2.5	2	3
Great Nat'l ....	"	"	2.5 & 3	2.5 & 3	2.5 & 3	Security Benefit .....	"	"	3	2.5	3.25
Great Northwest ....	Approx. 11% Inc.	Approx. 10% Inc.	3	1.5	3	Shenandoah Life .....	"	Same as '52	3	2.5	3
Guarante Mut. ....	Same as '52	Same as '52	Guaranteed Rate	Guaranteed Rate	Guaranteed Rate	Southern States .....	"	"	2.5	2	3
Hoosier Farm Bur. ....	Approx. 50% Inc.	"	Guaranteed Rate	Guaranteed Rate	Guaranteed Rate	Standard, Ind. ....	Same as '52	"	Guaranteed Rate	Guaranteed Rate	Guaranteed Rate
Horace Mann ....	Same as '52	"	2.5	2	2	State Mutual .....	Revised	Revised	3	3	3
Independent, Md. ....	"	"	2.5	2	3	Union Labor .....	Same as '52	2.25	2	2	2
Iowa Life .....	"	"	Guaranteed Rate	Guaranteed Rate	Guaranteed Rate	Victory Mutual .....	"	2.5 & 3.5	2.5 & 3.5	2.5 & 3.5	2.5 & 3.5
Lafayette Life .....	"	"	2.5	2.5	3	West'n & Southern .....	"	Increased*	Guaranteed Rate†	Guaranteed Rate†	Guaranteed Rate†
Lincoln Mutual .....	"	"	2.5	2.5	2.5	West. Mut. L. & C. ....	Same as '52	2.5 to 3	2 to 3	2 to 3	2 to 3
Maccabees .....	"	"	3	3	3.5	Western States .....	"	2.5	2.5	2.5	2.5
						Wisconsin Life .....	"	"	2.5	2.5	3
						World Ins. ....	"	2 (a)	3	2.5	2.5

\* Dividends payable on most policies issued after Sept. 13, 1946, at non-participating rates. † Interest income 2% by practice. (a) 2 1/4% with life contingencies. (c) 3 1/4% on instalment settlements; 4% on funds at interest.



## THE HARVEST

The corn is in the shock, the tobacco is in the barn, cotton pickers are in the fields, county fairs are in full swing, nights are crisp and days are growing short. It's harvest time.

This fruition of the labors of all the year reminds us again of Life Insurance and how it serves thoughtful people who plow under a part of each year's income as a safeguard against the uncertainties of the future.

**The NATIONAL LIFE  
and ACCIDENT  
Insurance Company**  
INCORPORATED

Home Office: NASHVILLE, TENNESSEE

# The Manhattan Life Now Offers Larger Single Premium Limits

Single Premium Annuities on  
any one life . . . . . \$100,000

Single Premium Joint and  
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Single Premium Life and Endowment  
Policies (10 years or more)  
—amount of Single Premium . . . \$100,000

Combination Single Premium Life  
and Annuity (110 Plan)  
—amount Single Premium . . . \$110,000

Paid in advance to discount  
future premiums . . . . . \$100,000

Our 2nd Century

**THE MANHATTAN LIFE  
INSURANCE COMPANY  
of NEW YORK**

Home Office: 120 West 57th St., New York 19, N. Y.  
Telephone: JUDSON 6-2370

THERE'S A NEW LOOK TO COMPENSATING AGENTS

IT'S **A.I.R.**

With the Automatic Increasing Remunerator Contract, you—the agent—can double your income for good production. An Immediate Raise. Commission rate at 20% more than customary commission contracts.

**PLUS**

Automatic additional increases of 8% - 16% - 24% in First Year Commission rate—payable automatically first of each month.

**ALL THIS AND**

- **PERSISTENCY BONUS** . . . payable every 3 months.
- **LIFETIME RENEWALS** . . . a permanently increasing income.
- **FREE VACATION** . . . all expenses paid each year.
- **INCENTIVE CONTEST** . . . liberal rewards for all producers.
- **PRODUCTION CLUBS** . . . substantial cash bonuses.

It is with pride that we present this extraordinary contract. A.I.R. is available in Illinois, Michigan and Missouri. Write today in confidence for full details.

**Bankers Mutual Life  
Insurance Company**

G. C. French,  
President

HOME OFFICE FREEPORT, ILLINOIS

An Old Line Mutual Legal Reserve Life Insurance Company



Dr. S.S. Huebner (left), president emeritus of the American College, who is retiring as insurance professor at University of Pennsylvania, receives from Grant Hill, vice-president of Northwestern Mutual, a volume containing letters of appreciation from life company executives. At right is Charles J. Zimmerman, L.I.A.M.A. managing director. The presentation was made at the fellowship luncheon during the L.I.A.M.A. annual meeting in Chicago.

## Prudential Group-Creditor Coverage

### Tops \$2 Billion in Less than 25 Years

Not quite 25 years ago Prudential went into group creditor life insurance, which has now grown to over \$2 billion in force in that company alone. Its policy on General Motors Acceptance Corp. accounts for about \$1 billion.

Begun shortly after New York City banks entered the unsecured personal loan field, it has grown to cover all types of time-payment purchases—automobiles, refrigerators, radios, and many other items.

General Motors' policy covers 1,850,000 persons for an average of \$575 each. Some \$7 million has been paid in death claims during the time the policy has been in force.

In personal loans and appliance financing the average group-insured loan is about \$390. The average claim is around \$275. In automobile financing the average claim runs somewhat higher, about \$500.

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The cost of group creditor life insurance, according to Prudential, is usually 7½ cents for each \$100 of outstanding balance of insured loans. The cost of this insurance can be discharged by making a specific charge to the customer, increasing the interest or discount rate, or absorbing the cost as an operating charge. The choice depends on company policy and state laws.

A review of the coverage afforded General Motors typifies the growth of this form of insurance in the past decade. Begun just before the war, the plan covered 9,981 individuals on their time-payments for a total of \$3,097,423. The war years brought a decline.

After the war the contract began to increase. In 1947 some 8,600 persons were insured; in 1948 the number reached 15,000; in 1949 it jumped to 55,000; in 1950 there were 10 times that number; and in 1951 the number reached almost 1½ million.

Similar increases in amounts in force were also recorded. The amount for 1947 was just below \$4½ million. By 1951 it had reached more than \$750 million. Last year it passed the \$1 billion mark.

Such growth enabled General Motors to reduce insurance costs paid by the customers from \$4.90 for \$1,000 for one

year to \$3.25 for the same coverage, a reduction of 33%.

### State Mutual Names Booher

State Mutual Life has named Claude L. Booher, former life insurance consultant, manager at Washington, D. C.

Mr. Booher entered the business with Home Life of New York in 1937, and later became a supervisor, then manager for that company.



Claude L. Booher

Life insurance in force through October for Bankers Life of Iowa totaled \$1,770,970,955, a jump of \$108 million over the first 10 months of last year. October production reached \$17,689,299, a 21% gain over October of last year.

## VICE PRESIDENT AGENCY DIRECTOR

Here is an opportunity for a man with a proven record as an agency director to step into a top position with a good salary (\$20,000) with a fast growing company.

Send your qualifications confidentially to

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## LAA Runs Workshop on Relations with Policyholders

Life Insurance Advertisers Assn.'s first policyholder relations workshop ran for four days at the Westchester country club, Rye, N. Y. There were 22 participants representing 21 companies in the United States and Canada. The planning committee for the workshop, headed by C. Russell Noyes, advertising manager Phoenix Mutual, planned an intensive program covering the major phases of policyholder relations from the viewpoint of the company, the agent and the public.

Experts from within and without the industry presented the different facets of policyholder relations. The participants after listening and taking part in discussions were required to complete in outline form two projects putting into practice the knowledge and principles gained from the course.

Members of the committee were William L. Camp III, Connecticut Mutual; Carl Cefola, Mutual Life; Burton Brown, Home Life and Donald Barnes of Institute of Life Insurance. William Heimburg, New York Life, and Russell L. Blanchard, Paul Revere Life, headed the arrangements committee.

Members of the faculty in addition to the committee included Henry F. Obermeyer, vice-president Bozell & Jacobs Advertising Agency; John Shaw, assistant vice-president American Telephone & Telegraph Co.; Clifford B. Reeves, vice-president Mutual Life; Theodore Maltbie, attorney Connecticut Mutual; Norman Stabler, financial columnist New York Herald Tribune; A. H. Thiemann, assistant vice-president New York Life; Harry Krueger, New York City general agent for Northwestern Mutual; Frank Maher, 2nd vice-president John Hancock; Olin J. Budd, assistant comptroller Phoenix Mutual and James M. Fyfe, Metropolitan Life.

Five major areas of policyholder relationships included correspondence, policyholder forms, annual reports, policyholder relations through field contacts and policyholder relations through home office contacts.

David W. Tibbott, New England Mutual, president of Life Insurance Advertisers Assn. was the speaker at the closing luncheon on Friday.

## Give Tentative Card for L.I.A.A. Meeting

The tentative program has been released for the annual meeting of Life Insurance Assn. of America, scheduled for Dec. 9-10 at New York City.

The meeting will open with a review of activities during the year by Bruce E. Shepherd, manager, and other staff members. Following, Mrs. Millicent Carey McIntosh, president of Barnard College, will speak on "Life Insurance and the Modern Woman."

The morning of Dec. 10 addresses are scheduled by Commissioner Martin of Louisiana, president of National Assn. of Insurance Commissioners; Charles J. Zimmerman, managing director of L.I.A.M.A., and David B. Fluegelman, Northwestern Mutual Life, New York City, president of National Assn. of Life Underwriters. A business session will precede the speeches.

The closing session will be addressed by Dr. Norman Vincent Peale, New York City, minister, lecturer and author. It is expected that additional speakers will be announced later.

Harrison L. Amber, president of Berkshire Life, is in charge of arrangements.

## Day Explains Main Dilemma in Field of Regulation

Insurance Director J. Edward Day of Illinois in addressing the Chicago convention of National Assn. of Independent Insurers, said in the field of regulation the main dilemma is how far can insurers be left free to compete and run their own affairs, while at the same time protecting the public and good name of the industry from insurance company failures.

He opined that a complete, air tight system of federal regulation which attempted to plug every hole in the armor of protection of the policy holder would inevitably lead more and more to the encouragement of a few big conventional and seasoned companies. There would be little room for those that are new or small, or still trying to rise to the top in the competing battle. In Illinois many feel there is still a legitimate place for the small business man in insurance company operations. Some of the companies in that state have come up very high from nothing in a short time. On the

other hand, in the 1930's at one time there were 190 Illinois companies of all kinds in liquidation. A shrewd observer well in advance could predict their doom, but unless the insurance department were to have gone a long way in running their affairs, there was nothing to be done except to let the inevitable catch up with them and let them go broke.

There is an ever increasing belief that insurance departments must take further steps to ward off insolvencies. In several states security funds which may be likened to federal bank deposit insurance have been developed.

New York especially has felt that security funds are an inevitable corollary of compulsory or semi-compulsory insurance.

The present program of regulation, he said, cannot—in itself, prevent failure, and it cannot clear up the criticisms against certain lines of insurance, such as the individual A. & H. coverages.

There are other bad effects besides insolvencies, which might add to condemnation of privately operated insurance. One of these is exploitation of a gullible public through deceptive selling practices, or excessively limited benefits. Despite the fact that

there are established agents available everywhere, many persons buy on the basis of a mail circular and newspaper ad that would be more appropriate for promoting a patent medicine. Such high binder selling methods, he said, build up future bad will. Ideally, he said, the solution should be to tell the public that insurance departments are not established to run the insurance companies, and they should take some reasonable precautions in deciding whom to deal with. But more and more public today expects government to protect them against all contingencies—even against their own foolishness.

Can an insistence on complete 100% stability and security in insurance be satisfied consistently with free enterprise principles?, he asked, or is it a necessary part of a system of private enterprise to admit that at some points it may be fallible?

The insurance departments have many intense pressures from the public which the insurance populace does not even know about. These pressures have to be handled with courtesy, but with intelligence and restraint, bearing in mind that insurance departments should not interfere in internal management.

# A Real Sales-Maker

The LNL representative recognizes his Company's Mortgage Redemption Plan as a valuable sales-maker. He finds that his prospects like this plan because:

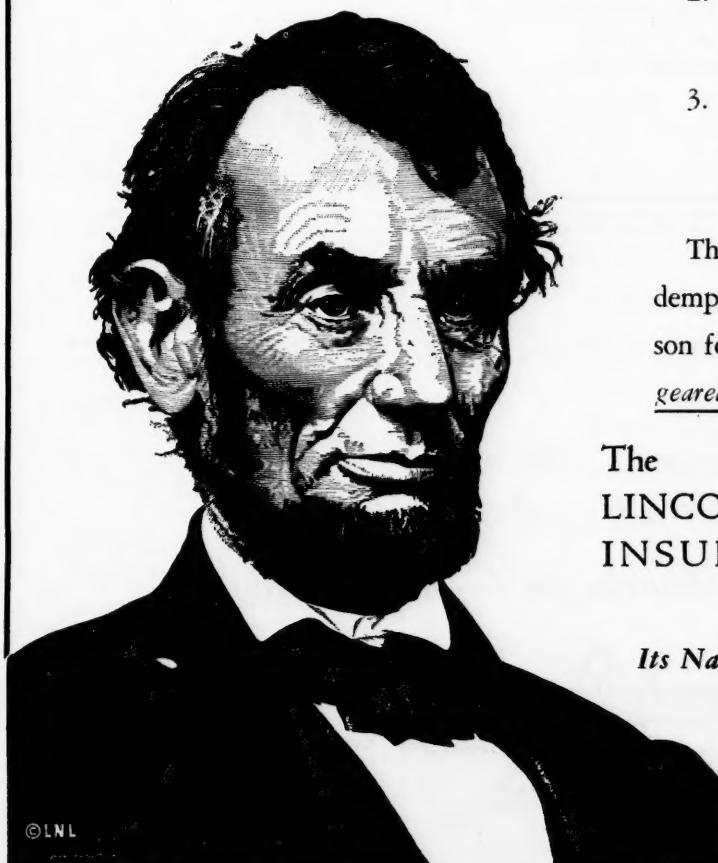
1. The amount of insurance decreases as the mortgage reduces.
2. The premium grows smaller each year.
3. Substantial permanent insurance remains after the mortgage is paid.

This well-tailored Mortgage Redemption Plan provides another reason for our proud claim that LNL is geared to help its field men.

The  
LINCOLN NATIONAL LIFE  
INSURANCE COMPANY

Fort Wayne 1, Indiana

*Its Name Indicates Its Character*



## When Is Self-Insured Plan Not An Insurance Plan

WASHINGTON—Self-insured plans established by employers which provide for sickness or accident disability benefits to employees, but which are not in themselves insurance plans within the meaning of section 22(b) (5), interval revenue code, do not become insurance plans merely by virtue of compliance with state disability benefit laws and approval by state agencies.

Ruling to this effect has been made

by the internal revenue bureau in response to request for advice whether disability benefits received by employees under a self-insured plan of an employer and having state approval as conforming to requirements of the New York workmen's compensation disability benefits law and New Jersey statutes are excludable from gross income under the IRC section, also whether such payments are subject to withholding of income tax at the source on wages.

The bureau ruled that benefits received under self-insured plans which

do not qualify as insurance plans are includable in gross income of recipients and are subject to income tax withholding. It also announced modification of previous rulings to the extent that they are inconsistent with the new decision. However, the latter will not be applied with respect to disability benefit payments received before Jan. 1, 1953, under a self-insured plan approved by appropriate state agencies as conforming to state disability benefit law requirements.

## Soft Spots in Boom, Woodward Admonishes

Donald B. Woodward, vice president of Mutual Life, sees an interruption in the business boom. Speaking at a meeting of the Comptrollers Institute, he pointed out that the present boom has reached greater heights than any other. There are soft spots in the situation. Time is the enemy of the boom.

Some persons argue that the business cycle is a thing of the past, Mr. Woodward said. To prevent a downturn, he added, the upward pressure of the population and scientific revolution must not only be powerful but it must be constant. The power of government must be used with superhuman skill, and needs must be readily converted into effective demand. At no point in our economy can major deflatable areas now show up, he asserted.

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These are difficult assumptions to make, he said. In stating them one wonders if business fluctuations can be held to be a thing of the past. Conversely, are the forces working to hold up business strong enough to flatten out the curves, he queried.

The hope that this greater stability may result will be fortified if all groups in the economy give increasing attention to the objective, Mr. Woodward concluded.

## Mark Robbins Retirement

J. Roy Robbins of the Evans agency for Home Life of New York at New York City, was honored at a luncheon marking his retirement after 49 years with the company. He had been in semi-retirement since 1947.

Mr. Robbins joined the company in 1903, and became a general agent in 1909. In 1926, he went with the Robbins-Simons agency. He was appointed general agent in 1929, and returned to personal production in 1932.

## Osler Is Author of New Text on A&H Insurance

"Guide to Accident & Sickness Insurance," a new book on the fundamentals of accident and sickness insurance, a reference and guide to the latest trends for the experienced man and a training course for the agent has been published by Rough Notes Co. The author is R. W. Osler, vice-president of Rough Notes in charge of life publications.

The book contains 13 chapters covering "The Importance of the Business," "Ingredients of Policies," "Nature of Benefits," "Standard Provisions," "The Application," "Claim Procedure," "Underwriter," "Classes of A & S," "State Social & Cooperative Coverages," "Regulation," and "History." There is also a comprehensive index and a thorough glossary of terms.

## Travelers Switches Stern, Makes Other Appointments

Travelers has transferred Assistant Manager Wildon W. Stern to Wichita—and has made several other appointments.

Three new group supervisors are Raymond J. Finn, John Street office, New York City; Maxwell L. Griffith, Jr., Buffalo; and James L. Askew, Oklahoma City.

Fifteen field supervisors have been appointed. They are: Donald E. Capelle, Des Moines; James C. Hall, Dayton; Wilson W. Meunier, Springfield, Mass.; Albert E. Colaw, Kansas City; Blaine F. Olsen, Oklahoma City; Carter Johnson, Jr., Dallas; Stephen H. Whitman, Jr., and Frederick W. Shepard, Rochester, N.Y.; Lloyd R. Stafford, Montreal; Marcel Michaud, Quebec; Ernest G. Schlanbusch, St. Paul; James F. Horton, Milwaukee; Donald B. Carpenter, San Francisco; E. King Reid, Norfolk, Va., and James R. McMurray, Worcester.

Four new agency service representatives are Donald R. Fosburg, Los Angeles; Edmund F. Hutchinson, Central City office, Philadelphia; Peter C. Thorsell, Hartford, and Leslie C. Jonas, San Francisco.

## Union Mutual Names Curtin

Union Mutual Life has named John D. Curtin regional group manager at Los Angeles, succeeding John L. Russell. The company has also appointed Robert L. Roberts group representative there.

Mr. Curtin was formerly assistant group manager for Founders Ins. Co. of Los Angeles. He had been with that company since 1948. He entered the business with John Hancock at Detroit, and later transferred to Los Angeles.

## Becomes "President-for-a-Day"

Ralph Cohen of the Benson agency for Security Mutual Life of Binghamton at Boston, became company "President-for-a-Day" as a result of his top production in the company's Election sales contest. Irving Richman of the Levine agency, New York City, was "elected" vice-president.

Howard Manning, agent of Equitable of Iowa, is general chairman of United Funds for Kansas City, Kan., and Wyandotte county, Kan. He is responsible for reaching the goal of \$500,000.

Kaler E. Bole, manager of American United at Topeka, has been transferred to the home office and is succeeded by Otto Schnellbacher there.

John C. Myrick has been appointed general agent for the insured savings department of National Life of Little Rock, Ark., for Shreveport and vicinity.

## Individual Attention

The Union Labor Life Insurance Company, now completing its twenty-fifth year of serving the insurance needs of the working man, is especially qualified to plan the right type of benefit program suited to the individual needs of a particular group.

In trade unions, management and insurance circles, the Company is a recognized specialist in promoting, planning and administering welfare plans.

### THE UNION LABOR LIFE INSURANCE COMPANY

200 East 70th Street, New York 21, N. Y.

Trafalgar 9-2800

Matthew Woll, President



## A Complete Line of Coverage

Life Insurance      Accident & Health  
Hospitalization      Medical-Surgical

Excellent Opportunities for Capable Salesmen

## Bankers Life & Casualty Company

John D. MacArthur, President

Chicago 30, Illinois



Laurence S. Morrison (left), L.I.A.-M.A. research consultant who retires Dec. 31, receives a book containing letters of tribute from agency officers. E.M. McConney, president of Bankers Life of Iowa, made the presentation at the Old Guard reunion dinner during the L.I.A.M.A. meeting in Chicago.

### Statler Lets Contract for New Hotel at Hartford

A contract has been awarded by Hotels Statler, Inc., to George A. Fuller Construction Co. of New York to build a 455-room hotel at Hartford. The hotel corporation earlier this year rejected all bids for the construction of the hotel because they were too high. There is much interest in the prospect of a new, modern hotel at Hartford among insurance people because of the shortage of good hotel facilities there in relation to demand.

### Bureau Issues Compendium on A. H. Risk Selection

Bureau of A. & H. Underwriters has gotten together a "Compendium on A. & H. Insurance Risk Selection," a 256 page volume dealing with the elements entering into the selection of A. & H. risks. This is the net of papers that have been presented in recent years at forums and the seminars of the bureau.

The compendium is in 22 sections, 13 dealing with selection in general, including material on medical factors, physical history, occupational factors, etc. The remaining 9 sections cover special risk selection, considerations in specified fields such as non-cancellable, hospital expense, major medical expense, group, etc.

There are opinions of 61 men who have talked at the bureau meetings, and there are, of course, differing opinions on some of the subjects.

Ray L. Hills of Great American Indemnity, was in charge of the group that got this book together. Distribution has been restricted to member companies of the bureau.

### Aetna Has New Policy

A new policy, the juvenile 21 special, is being issued by Aetna Life. The policy can be written on children from birth to 10 years of age.

It is a level premium policy, becoming fully paid-up when policyholder reaches 65, and can be written in amounts ranging from \$1,000 to \$5,000. There is a five-fold increase in the face amount, with no increase in the premiums, when the policyholder becomes 21.

Mark E. Simmerer, vice-president and general manager, Kingston Products Corp., Kokomo, Ind., has been named a director of United Home Life, Indianapolis.

### Mutual Life Counsel Kelly Urges Claims Paying Basis

John G. Kelly, assistant general counsel for Mutual Life, said before a meeting of Philadelphia Assn. of Claims Men that a sound philosophy of claims administration ought to recognize that insurance companies are in business to pay money to policyholders or beneficiaries. Good claims men, he said, continually will make a real effort to find a basis for payment, rather than to seek a basis for denial of liability.

He said that the life insurance industry's record of death benefit and disability benefit payments indicates that a positive philosophy is typical of the business. He reported that last year death benefit payments in the United States totaled \$1,700,000,000. Of this total, \$30,000,000 represented double indemnity or the accidental death benefit. In addition, he pointed out, disability benefit payments of more than \$100,000,000 were made.

Continuing, Mr. Kelly said: "We also need constantly to be alert for ways in which we may ease the path to payment of benefits. This can be done, and has been done, by simplifying the requirement of proof of death, by clarifying and simplifying the language of the forms that policyholders or beneficiaries use, by eliminating notarization requirements, by accepting an official death certificate instead of an attending physician's statement, by eliminating additional inconvenience such as a funeral director's certificate and by improving office operations procedures to speed up the processing of requests and the payment of benefits."

He cautioned, however, that a positive attitude does not suggest a "pay them all philosophy." He said in his judgment, it would be just as wrong to pay a benefit that was not properly payable as it would be to deny payment of one that should be paid. The insurance business is affected with a public interest and unsound insurance decisions have great social consequences, Mr. Kelly asserted, citing the following statement of the Washington state supreme court:

"The payment of unjust claims by an insurance company is a detriment to the public whether made by mutual companies or stock companies; for, in the long run, the amount of losses which insurance companies are compelled to pay must determine the premium rates which the public must pay for insurance protection."

### John C. Roberts Goes to Higher Travelers Post

John C. Roberts has been appointed secretary in charge of personnel of the claim departments of Travelers. He joined the organization as an investigator in the claim department at Minneapolis in 1928, following graduation from the college of law of University of Minnesota. He was made supervisor of life and accident group claims there in 1933. He joined the home office staff in 1935 as an examiner in the life and accident claim department; was appointed supervisor of personnel for the claim departments in 1944, and assistant manager of the casualty claim department in 1944. He was appointed assistant secretary last February.



J. C. Roberts

Clarence Mykland of West Coast Life discussed "How to Teach Prospecting" at the October meeting of the Seattle managers. Charles Reimers of State Mutual Life presided.



## Talking in terms of the prospect's needs!

The Twin Salesman, Great Southern's modern direct mail service for Great Southerners, has a message for every individual in need of life insurance. Colorfully and persuasively, it presents Great Southern protection in terms of these needs.

When Great Southerners submit their lists of prospects, classified according to their needs, the home office immediately starts the series of mailings that paves the way for personal presentations. The Twin Salesman is helping Great Southerners to reach more prospects, to better serve a great people in a great section of our nation.



## EDITORIAL COMMENT

### Possible Cure for Wasted Man-Hours

What is responsible for the greatest waste of man-hours in the sales end of the life insurance business? Until someone nominates a worse one, our entry will be the waste exemplified by the wide variety of companies and agents represented in the typical policyholder's collection of insurance contracts.

These policies tell a frustrating story: The insured's first policy was sold by some hard-working agent who winnowed a sellable prospect out of a pile of names that seemed like possibilities. Then the agent had to find a way to get the prospect to give heed to a motivating sales story. In the process he not only had to motivate the prospect but impress him to the extent of wanting to do business with this particular Mr. Agent and not somebody else who may have been trying to sell him on and off in the past.

No matter how much he may have struggled against buying, the prospect is usually glad he bought and that he dealt with that agent. Usually the buyer thinks of him as "my agent" or "my insurance man" and the salesman, at that point, doubtless has a better "in" with his new policyholder than any other agent has.

But what usually happens? The next sale is made by some other agent, who has to go through the same process as Agent No. 1. Agent No. 2 has to sift out the prospect from among a vast assortment of possibilities. He has to motivate him and work him up to the point where he has confidence in the advice being given him. This process may be repeated for every policy the man buys.

Of course, there are smart agents who have systems for maintaining their "in" with their policyholders so that any other agent has little chance to undermine the relationship. They keep their friendships in good repair. They anticipate changes in situations that may call for changes in insurance set-ups—and particularly for increases in protection. But these agents are the exceptions.

The reason so few follow this intelligent and far-seeing course is that the man who has just bought is about as poor a prospect for additional insurance as anyone could find. The agent who has just made the sale is thinking of the sale he can make in the next few weeks, not the next few years.

What can be done to help these agents strengthen the relationship they have had to work so hard to build up in making their first sales to buyers

who should be clients from then on? The main trouble is that both the agent and the buyer are thinking too much in terms of this one sale and not enough about the long-range program. They may mention the need for rounding out the program later on but the agent knows that this sale is just about all the buyer is going to be able to swing for a good long time. The buyer is sufficiently concerned about where the money is coming to pay the premiums he has let himself in for that he is thinking only vaguely, if at all, about any additional commitments.

An effective step in cementing this agent-client relationship would seem to be something along lines that have already been mentioned by more than one leader in the business: A policy that would grow with a man's needs and ability to pay. Such a contract presents obvious underwriting difficulties, but perhaps they could be solved with less trouble than has been envisioned, once there exists a determination to make this type of contract a reality.

Such a policy would aim at reflecting the owner's needs and his financial status. Probably at the start it would be very largely term insurance, but in an amount sufficient to do a real job of taking care of quite extensive family obligations. As these obligations increased, so would the coverage. At the same time, consistent with increased ability to pay, premiums would be boosted to get more and more of the insurance over to a permanent basis, with cash values building up as rapidly as practicable to use for retirement.

Even though underwriting difficulties—notably adverse selection—might make it impossible to do anything more under such a comprehensive policy than can already be done with separate contracts now available, the psychological effect on both insured and agent would have immeasurable value in maintaining and strengthening the client-agent relationship.

The policyholder would feel that he not only had a house of protection but that it had been expertly planned so that when the time came for additions they would be integrated with the original structure and not just tacked on to become an architectural hodgepodge.

Insurance buyers already understand that a life insurance policy is a continuing contract, not one to be scrutinized on each anniversary date with an eye to its replacement with something that might offer a little lower price-tag or some newly thought-up

sales feature. The public is accustomed to the fact that a life insurance contract embraces a large chunk of the future in its scope. If the buyer can grasp and accept the concept of life insurance stretching out into the future, he should also be equally receptive to the concept of a life insurance contract that expands in breadth to take in all possible changes in his situation that would otherwise call for the purchase of additional separate policies.

Actually, the second concept is no

more radical than the first. Few people, even in the life insurance business, stop to think how much time and money are saved because the life insurance contract doesn't have to be resold at every anniversary date. Comparably large savings might well be effected by a form of contract that would cover a buyer's entire life insurance needs as they arose and thereby foster a client-agent relationship that would assure the original agent of the continuing fruits of his original toil.

## PERSONALS

Miss Elizabeth C. Stevens, secretary-treasurer of L.I.A.M.A., was honored at Hartford this week on her 30th anniversary with that organization. Miss Stevens probably knows more life insurance executives than any other woman in the country. She collects their L.I.A.M.A. dues and directs the spending of all association funds. She has attended 28 annual meetings of the organization. Miss Stevens joined the old Sales Research Bureau at Pittsburgh in 1922 after graduating from Smith College, and has seen the headquarters personnel grow from a staff of one to 90, and member companies to 240. She has been an officer of L.I.A.M.A. since 1945.



Miss Stevens

Horace W. Brower, president of Occidental Life of California, discussed "Insurance, Its Function for Both Protection and Estate Preservation" before a conference dealing with problems of the investor, sponsored by the University of Redlands, Redlands, Cal.

Valentine Howell, executive vice-president and actuary of Prudential, was the dinner speaker at the annual meeting of Casualty Actuarial Society in New York.

J. C. Higdon, president of Business

Men's Assurance, has been elected president of the Kansas City Chamber of Commerce.

Mr. Higdon has been associated with B.M.A. since 1923. In steady progression he became the company's vice-president in 1931, executive vice-president in 1944, and a year later he assumed his present position.

Charles Fleetwood, vice-president in charge of Prudential's southwestern home office, spoke to the Houston Real Estate Board on "Why Prudential Came to Houston."

Edward P. Bennett, Jr., Dallas manager of Massachusetts Mutual Life's mortgage loan department, has been awarded the MAI designation by the American Institute of Real Estate Appraisers, the designation standing for Member Appraisal Institute.

Guilford Dudley, III, son of Guilford Dudley, Jr., president of Life & Casualty, has been elected secretary of the Yale Daily News. Mr. Dudley is majoring in English at Yale and plans to make journalism his career.

William R. Tooker, new general agent of Berkshire Life at Washington, D. C., who is assuming joint management responsibilities with J. E. McCombs, general agent there for 19 years. An assistant general agent since 1950, Mr. Tooker before that had sales and supervisory experience in New York and Connecticut.



William R. Tooker

Grant L. Hill, vice-president and director of agencies of Northwestern Mutual Life, newly elected president of L.I.A.M.A., was host to a group of company vice-presidents at an informal sales conference at Northwestern Mutual's home office. Attending were R. B. Coolidge, Aetna Life; Dudley

Mildred F. Stone, director of the policyowner services division of Mutual Benefit Life, is the author of an article, "Make Your Letters Multi-Purpose," in the current issue of "Office Executive", official publication of the National Office Management Assn.

## NATIONAL UNDERWRITER

—LIFE INSURANCE EDITION

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BOSTON 11, MASS.—210 Lincoln St., Tel. Liberty 2-1402. Wm. A. Scanlon, Vice-Pres.

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CINCINNATI 2, OHIO—420 E. Fourth Street, Tel. Parkway 2140. Chas. P. Woods, Sales

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PITTSBURGH 22, PA.—503 Columbia Bldg., Tel. Court 1-2494. Jack Verde Stroup, Resident Manager.

SAN FRANCISCO 4, CAL.—507 Flatiron Bldg., Tel. Exbrook 2-3054. F. W. Bland, Pacific Coast Manager.

## DEATHS

JAY N. JAMISON, former executive vice-president of Reliance Life, who retired three years ago, died on a cruise in Karachi, Pakistan, at age 69. He commenced work with Reliance Life in 1903, and in 1909 was appointed assistant secretary; in 1920 actuary; in 1930 vice-president and actuary, and in 1935 was elected executive vice-president. He was a member of the board of directors from 1935 until his retirement. Mr. Jamison's home was in Hope Ranch Park, Santa Barbara, Cal.



J. N. Jamison

CHARLES B. BRALEY, 48, engineering superintendent for American General of Houston, drowned when he slipped or fell from a boat while on an inspection tour of an off-shore drilling rig near Port LaVaca.

MRS. DAVID W. TIBBOTT, wife of New England Mutual's director of advertising, died following a lengthy illness. A graduate of Wellesley College in 1918, she was a member of the Boston Wellesley Club and had served on its board and scholarship committee.

CHARLES E. CARVER, for more than 40 years an agent of Travelers at Los Angeles, and in the business since 1897, died at his home there. Mr. Carver was a charter member of Life Underwriters Assn. of Los Angeles, having attended the organizational meeting Sept. 17, 1904. He had been extremely active in its affairs over the years, witnessing a membership growth from 20 to more than 1,000.

W. C. BURDETTE, 65, associate manager of Equitable Society, at Jackson, Miss., died there.

FLOYD CARTER, 56, district manager of Life of Virginia, died at his home in Rock Hill, S. C. He became district manager of the territory which includes Lancaster and York counties, S. C., in 1932. He had been with the company for 25 years.

### Pension Conference to Meet

"A Study of Industrial Retirement Plans, 1953 Edition", will be the subject of the American Pension Conference meeting, Dec. 11 at the Hotel

Shelton, New York City. The speakers will be Wallis B. Dunckel, and Ralph W. Hemminger, vice-presidents of Bankers Trust Co. of New York City. Nominations for the steering committee are: Members-at-large, Frederick T. Burrow, Chase National Bank of New York, and Arthur W. Brown, Esso Standard Oil Co. Unless a request is received from some member of the conference for a formal ballot, their election will be considered unanimous.

## Young Widows Fewest in History And Best Protected

There is a smaller proportion of young widows in the population than at any time since 1890, and at the same time, young married women today are protected by more life insurance than any preceding generation in U. S. history, according to census figures cited by the Institute of Life Insurance.

While the proportion of younger widows has decreased steadily during the past 50 years, as husbands have been living longer, the amounts paid to widows by life companies have increased sharply. In 1900 the total amount paid by life companies as a result of death was \$100 million; in 1925, \$500 million, and in 1951, \$1½ billion, 60% of which was paid directly to widows.

While most of this went to older widows, the payments to younger widows have been on the increase too, which is encouraging in view of the greater financial security needed in these times to feed, clothe and care for a young family.

A hopeful picture is presented by projecting today's life insurance ownership into the future, for there is now \$265 billion of life insurance in America, the majority of it held by husbands with dependent wives.

During the past two decades, through low-premium special policies developed by the life companies, more and more young families have found it possible to carry life insurance when they need it most. And today, according to the Institute's figures, more than 80% of the young families with children have life insurance. In addition, a high percentage are also covered by social security and group retirement and pension plans.

## Says Pensions Should Not Be Tied to Social Security Benefits

J. H. Shreiner, vice-president of Towers, Perrin, Forster & Crosby, Philadelphia, told the American Management Assn. finance conference in New York City that pension plans should be made independent of social security benefits.

Mr. Shreiner said that to set a total benefit and then determine the employer's contribution by deducting social security from the total is a beautiful theory and that "it would be even more wonderful if it worked."

Unions will press for a higher total benefit whenever social security benefits are increased, he warned. This was done in the recent liberalization of social security. Also the exact accommodation of social security complicates the administration of the private plan.

Unions will not long be receptive to the social security offset, he said, and it constantly irritates the employees.

Pension plans should be contributory if possible, he advised. He conceded that union attitudes and existing tax levels are deterrents to contributory plans. But he claimed two major advantages for requiring the employee to pay part of the cost: It may serve as a brake on demands for increases in the benefits; it may serve as a brake on demands for vesting if it is made contingent upon the employee's contribution. He warned, the absence of such a contingency could increase the future costs of the pension program.

Variable annuity plans must be trusted if the fund is to be invested in stock, Mr. Shreiner pointed out. Under these circumstances the trustees will acquire a responsibility that exceeds those connected with other pension trusts. The conservative investments which are productive of a constant volume of dollars are not suitable. The trustee will be compelled to invest in the securities which have a greater capacity for growth in value.

Stanton G. Hale, vice-president of Mutual Life, was guest speaker at the annual meeting of the Springfield, Ill., agency.

The M. James Houlihan agency of Mutual Benefit Life at Flint, Mich., held open house in its new offices at 1023 South Jefferson street. On hand from the home office were H. Bruce Palmer, executive vice-president, and John J. McGovern, vice-president and attorney.

## L. K. Farrell, Soon to Retire, Honored at Testimonial Dinner in New York

NEW YORK—Lawrence K. Farrell, who retires Dec. 31 as 3rd vice-president of Metropolitan Life, was honored for his 48 years of continuous service in the A. & H. business at a testimonial dinner here.

William L. Kick, Fireman's Fund indemnity, president of the A. & H. Club of New York City, was toastmaster. Frederic W. Ecker, executive vice-president of Metropolitan Life, delivered the principal address, in which he paid tribute to Mr. Farrell. About 250 attended.

Mementoes presented to Mr. Farrell included a loose-leaf binder of testimonial letters from his many friends in the business, a certificate commemorating his service as president of the A. & H. Club, a scroll signed by all present, and a gift certificate.

Co-chairmen of the dinner were Harold M. George of United States Fidelity & Guaranty and Julius L. Ullman of W. L. Perrin & Son, both past presidents of the A. & H. Club. Besides Mr. Ecker there were 23 on hand from the Metropolitan home office.

## Clements to Franklin Life

Franklin Life has appointed William D. Clements, Jr. regional assistant at the Philadelphia division headquarters. He entered the business five years ago with Equitable of Iowa and has served as its regional agent in southern New Jersey, making an outstanding record in organizational work. He is a navy veteran and has been especially prominent in community activities at Camden, N. J.

Hazel B. Price has been appointed as associate general agent of George W. Klingensmith Pittsburgh agency. Midland Mutual Life. Mrs. Price has had many years of successful life insurance experience and is a member of several insurance organizations and women underwriters.

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All forms of Life - Accident & Health

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Endowment at Age 65      Protection to Age 65      Double Indemnity Death Benefit      Triple Indemnity Death Benefit

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For particulars write to WM. D. HALIER, Vice President and Agency Manager

**UNITED**  
LIFE AND ACCIDENT INSURANCE COMPANY  
Concord, New Hampshire

## sell 8 in One!

COMPLETE coverage at an extremely LOW rate means MORE SALES with this EXCLUSIVE United Policy

## LIFE AGENCY CHANGES

### Marshall Made Berkshire General Agent at N. Y. C.; Frankford, Rifkin Raised

Berkshire Life has appointed Henry Marshall general agent and vice president of the S. S. Wolfson agency at New York City. In addition, Herbert Frankford and Milton Rifkin have been promoted, respectively, to associate general agent and assistant general agent.

Mr. Marshall previously was with the Wolfson agency as a branch manager. Last January he was appointed general agent at Brooklyn. He is past president of the Brooklyn branch of Life Underwriters' Assn. of New York City, a graduate of the L.I.A.M.A. School and a C.L.U.

Mr. Frankford, who will be in charge of a brokerage unit, started in the business as an agent 22 years ago. He went with the Wolfson agency in 1944, advancing to assistant general agent last April.

Mr. Rifkin, also a C.L.U., will be manager of the Brooklyn unit. A navy veteran, he joined the Wolfson agency in 1946, was appointed a brokerage supervisor in 1949, and assistant manager in 1950.

S. Samuel Wolfson, president of the agency will continue his general Agent status, as chief executive.

age work.

Joining the company in 1947 after advertising agency work, Mr. Hansch moved from assistant sales promotion manager to director of sales services in 1950, the youngest officer in the company. In that same year, 1950, he was made director of agency personnel, in charge of recruiting and selection. He was instrumental in setting up the company's brokerage program, and, until last year, conducted it.

### Names Stewart, Vanderwart

Home Life of New York has appointed William W. Stewart Jr., and David H. Vanderwart assistant agency managers; William E. Carnright, special agency assistant; Frederick W. Lohm, field educational assistant, and



W. W. Stewart, Jr.      D. H. Vanderwart

Henry Farber, assistant manager for field service. Denny Beattie has also been named assistant manager for field service.

Mr. Stewart was formerly with the Loewenheim agency at New York City. He has been with the company since 1948. Mr. Vanderwart has rejoined the company following a year with the marines in Korea. He went with the company in 1946.

### Advancement for Elliott

William F. Elliott has been appointed vice-president of Northwestern Mutual's Dan Kaufman agency at Chicago in charge of the research and analysis department. He is an attorney and before joining the agency early in 1951 was probate court commissioner for Marion county, Ind.

As executive secretary of the co-ordinating subcommittee to rewrite the century-old Indiana probate code, Mr. Elliott was largely responsible for writing the first draft, which was passed by the state senate in 1951.

The Kaufman agency is one of the very few in Chicago writing over \$10 million per year and out of 20 full-time agents has seven Million Dollar Round Table members.



W. F. Elliott

### Branch Office Changes Made by Travelers

Field appointments in the branch office administration department are announced by Travelers.

E. P. Hills, office manager, Yonkers, is appointed in the same capacity to Reading, Pa., succeeding M. F. Harris, retired.

W. R. Hicks, who was assistant office manager, 42nd street, New York,



A Combination Company offering all forms of Ordinary Life, Weekly Premium Life, Hospitalization, Health and Accident, and Credit Life Insurance.

\$121,737,061.85

Life Insurance in Force June 30, 1952

Our 45th Year of Service

## The PILGRIM SPEAKS



Another up-to-the minute sales kit, built around the 1952 Social Security amendment, has just been added to the State Mutual Sales System. It is complete with visual pages, forceful sales track and direct mail letters, and because of this new kit's wide application, its simplicity and powerful motivation, it has been enthusiastically received by all our field force.

Our new agents, especially are successfully completing one-interview sales in their first weeks of production. Agents from Maine to California are reporting production increases from using this new, practical and timely sales procedure.



**STATE MUTUAL LIFE**  
*Assurance Company*  
OF WORCESTER, MASSACHUSETTS

### Hansch Joins Cook Agency

August C. Hansch, director of agency personnel of Mutual Benefit Life, will join the company's Paul W. Cook agency at Chicago on Jan. 1 as agency assistant. He will assist in both general agency development and broker-

has been appointed office manager, Yonkers.

R. G. MacKay, assistant office manager, Albany, has been appointed office manager, succeeding E. J. Ellison, retired.

J. E. Carter, administrative assistant, has been appointed assistant O.M., Albany.

B. I. Powers, assistant O.M., Omaha, has been transferred in the same capacity to Hartford.

### DePau Leaves Prudential

Robert W. DePau, Jr., has resigned as district manager at Miami for Prudential. His resignation will become effective Dec. 12.

Mr. DePau has been with Prudential for 20 years, the last 12 as district manager, first in Chicago and then in Miami.

In his four and a half years in Miami, Mr. DePau was in charge of Prudential's largest district office. He is a past vice-president of Illinois and Florida Underwriters Assns., and a past vice-president of Miami Life Underwriters Assn.

### Hunt Heads New Office

G. C. Hunt, Jr., has been appointed manager of a new southeastern regional office of Old Republic Credit Life, with headquarters at Charlotte, N. C.

Mr. Hunt has spent his entire business career in the consumer credit insurance field. In 1949 he became a field representative at Birmingham, Ala. for Old Republic. He is a navy veteran.

### Transfer Czachorowski

Prudential has transferred Henry G. Czachorowski, district manager at Yonkers, N. Y., since last year, to Staten Island.

Mr. Czachorowski joined the company at Norwich, Conn., in 1937, and later moved to Hartford where he became supervisor. The Staten Island district has more than \$58 million insurance in force.



H. G. Czachorowski

### Emilio General Agent

Daniel J. Emilio has been appointed general agent for United States Life at Binghamton, N.Y. He joined Continental Casualty in 1951 as general agent for southern New York and Pennsylvania, and before that had been with Mutual Benefit H. & A. and Companion Life in upstate New York.

He received his B.S. degree from Rider College, Trenton, N.J., and his B.A. from Syracuse University.

Jefferson Standard Life has transferred District Manager James L. Whitt from Bluefield, W. Va., to Charleston, W. Va. succeeding Frank L. Field, who will devote his time to personal production. Mr. Whitt entered the business in 1946, becoming manager at Bluefield in 1950.

### New Kentucky Dept. Counsel

Robert F. Stephens of Covington has been named counsel of the Kentucky department to succeed James C. Creal, who resigned to work with a private insurance company.

Admitted to the bar in 1951, Mr. Stephens has been a law clerk for the court of appeals since that time. He is a graduate of the University of Kentucky.

## COMPANIES

### Dedicates Home Office

American Casualty & Life has formally dedicated its newly remodeled and decorated home office building at Dallas. Although the company has occupied the structure for about a year, dedication ceremonies were held up until remodeling was completed.

President Vernon Roberts said during the ceremonies that the company, until 18 months ago a mutual, now on a legal reserve basis, is operating only in Texas but plans to enter other states during the next year.

### Preferred, Tex., to Hike Capital

Stockholders of Preferred Life of Texas has approved the company's fourth capital increase in two years, bringing capital to \$125,000.

Present stockholders hold exclusive rights to buy new shares until Dec. 12.

The company plans to open several additional offices in Texas in the near future.

### Calendar Features Dog Portraits

The 1953 calendar of Massachusetts Mutual Life again will feature a dog portrait on each monthly sheet. This year the calendar will afford more space for the name and address of agents who purchase the advertising piece on a cooperative plan.

### Lounge for Pensioners

Northwestern Mutual Life has set aside quarters in the home office building as a lounge where pensioned employees may gather for table games, letter writing, or conversation. The company will award \$25 to the pensioner who names the lounge. There are about 150 retired employees in the Milwaukee area, site of the home office.

American United Life has completed its first home office training school. Qualifiers for the school, which was supervised by Robert B. Thompson, director of training, had to meet certain production requirements.

### Consulting Actuarial Firm Opens Office at Dallas

Wyatt Co., actuaries and employee-benefit consultants, has opened a Dallas office. Sam H. Huffman, associate of the Society of Actuaries, has been named actuary and manager and Oswald Jacoby, a fellow of the Society of Actuaries, will serve as actuary and consultant.

Mr. Huffman, who was transferred from the Chicago office to become manager at Dallas, served in the actuarial department of Metropolitan Life from 1931 to 1943 and after army service was group secretary of Northwestern National Life prior to joining the Wyatt Co.

Mr. Jacoby, a fellow in the Society of Actuaries, is one of the youngest persons ever to complete the examinations. He was manager of the group annuities division of Metropolitan Life, and since 1928 has been a consulting actuary. He served in both world wars as well as the Korean war.



Daniel J. Emilio

## BUILT UPON A SOLID FOUNDATION



Our 238 Junior and Senior Dynamo Club Members averaged over \$350,000 of Ordinary Life business during 1951

## Here's The Reason

WE HAVE:

A. A WELL-TRAINED SALES ORGANIZATION

B. ARMED WITH EXCELLENT SALES TOOLS

and

HIGHLY COMPETITIVE SALES MERCHANDISE

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1. Free Hospitalization	3. A Non-Contributory Pension Plan
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## Four Decades of Progress

1912 TO 1952

- An all time high in new sales, \$116,000,000 in 1951 (includes reinstatements and revivals)
- Half a billion dollars of insurance in force
- Complete mutualization
- The completion and occupancy of our new \$3,000,000 home office building

The progress of Pan-American Life Insurance Company is measured by the ability and success of its agency organization.

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President

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EDWARD G. SIMMONS  
Executive Vice-President

KENNETH D. HAMER  
Vice-President & Agency Director

PAN-AMERICAN  
LIFE INSURANCE CO.  
NEW ORLEANS, U. S. A.

**O. L. Smith in New Quarters**

O. Lynn Smith, general agent of Connecticut Mutual at Wichita, will move from the Wheeler-Kelly-Hagny building to larger quarters in the Kaufman building Dec. 1.

The Kaufman building, which until recently housed very few insurance agencies, is now largely occupied by insurance offices, including those of Security Mutual of Lincoln, Neb., John Hancock, Mutual Life, and National Life of Vermont.

## EXCEPTIONAL OPPORTUNITY

**Our established men's annual net earnings are well into five figures**

**Large Legal Reserve Fraternal Society wants a State Manager in SOUTHERN TEXAS AND NORTH CAROLINA**

We now have \$12,542,000 of insurance in force and 9663 policyholders in Texas—\$7,170,000 of insurance and 6740 policyholders in North Carolina. Each state provides an exceptional opportunity for the right man.

We are looking for a man who has a record of successful experience in life insurance business, and who is qualified to select, train, and manage salesmen. Salary, commission, traveling expenses, plus liberal retirement benefits and free hospitalization coverage.

Our established men are earning \$10,000 a year and up.

All inquiries will be handled in strict confidence. After preliminary qualification, arrangements will be made for a personal interview. When replying state qualifications, experience, age, etc. Address reply to Henry F. Turner, President, Modern Woodmen of America, Rock Island, Illinois.

### A LIKELY SPOT



CAREER underwriters have found that Indianapolis Life is the spot where they can really build successfully. For here is a company offering *all* the elements that go to make for a happy, profitable relationship . . . thorough training courses . . . programming schools . . . tax and business seminars . . . aggressive merchandising materials . . . complete line of *quality*, modern, liberal, low-cost policies from birth to age 65 . . . life-time service fees and a pension plan that assures security . . . and a cooperative, friendly, home office that makes selling a pleasure.

## INDIANAPOLIS LIFE

INSURANCE COMPANY

Mutual—Established 1905

INDIANAPOLIS 7, INDIANA

AGENCY OPPORTUNITIES IN Illinois, Indiana, Iowa, Ohio, Michigan, Minnesota, Texas

## NEWS OF LIFE ASSOCIATIONS

### St. Louis Assn. Hears Zeigen on Business Cover

St. Louis Assn. of Life Underwriters heard Samuel L. Zeigen, general agent for Provident Mutual in New York, speak on "Hidden Treasures In Business Life Insurance."

The average business man, Mr. Zeigen said, doesn't realize the impact of the estate tax because he rarely knows the true value of his assets. And the trend is toward an increase in estate and gift taxes and a lowering of exemptions. "Dead people don't vote, you know," he reminded his audience. He then discussed sole proprietorships, partnerships and closed corporations as a market for life insurance.

The ideal solution, it seems, in the case of the sole proprietor is for him to enter into an agreement with one or more key employees to buy his business when he dies and turn the cash over to his wife, he said. The big question is where is the employee going to get the cash with which to buy out the business. There is only one answer—insurance.

In a partnership the surviving partner has three choices, he pointed out. He can liquidate the business and start all over; he can take in the wife or other heirs as partners in a new partnership; or he can sell out to the wife or other heirs thereby losing the income he has built up over a period of years. So it is sound business to enter into an agreement with the other partner while he is alive. This type of agreement will normally be accepted by the government for estate tax purposes and automatically solves other problems involved. As to the question of where to get the money to complete the plan, Zeigen included paying cash, loan from outside source, paying on installments or life insurance.

The stockholder in a closed corporation has four choices, Mr. Zeigen said—leaving all of his stock to his wife by will, entering into a binding option agreement in which his estate must offer his stock to the surviving stockholders; he can have a binding buy-sell agreement whereby the estate of the deceased must sell the stock and the surviving stockholders must buy it, or the corporation can buy the stock by means of a stock-redemption agreement. There has been a trend toward stock-redemption because of wage stabilization and higher taxes, he concluded.

### Rhode Island Congress Outstanding Success

Rhode Island Assn. of Life Underwriters held its annual sales congress at Providence. Speakers were Lewis W. Chapman, director of company relations, L. I. A. M. A.; Deane C. Davis, president Life of Vermont; David B. Fluegelman, Northwestern Mutual Life and president of N. A. L. U.; Mitchell M. Rosser, Phoenix Mutual Life and N. A. L. U. trustee, and Fred H. White, Buffalo general agent for Massachusetts Mutual Life.

The congress committee was composed of John L. Allen, general agent John Hancock; Paul O'M. Connly, Northwestern Mutual, association vice-president; Walter K. R. Holm, Jr., general agent Connecticut Mutual; William H. Joslin, Jr., Connecticut Mutual, and John Power, Mutual life. All are from Providence.

Terrence F. McGaughan, Providence general agent for National Life of Vermont and president of the association, opened the meeting, and Messrs. Connly and Allen presided at the morning and afternoon sessions, respectively.

It was the unanimous opinion of the membership that the program was the finest ever held in the state by the association.

### Discuss Kan. Rally Plans

Plans for the 1953 annual meeting and sales congress of Kansas Assn. of Life Underwriters at Hutchinson were discussed at a session at Wichita of the executive committee by President Vaughan A. Kimball, New York Life, Dodge City.

Members also heard plans for the N. A. L. U. Memorial Building Fund in Kansas, whose chairman is Elmer C. Moore, New York Life, Wichita. The state's goal is plus-\$5,000. Secretary Martin G. Miller, Mutual Life, Topeka, announced the membership goal of "802 in '52" had been exceeded.

Topeka—Walter B. Wheeler, director of field services of American College of Life Underwriters, will meet with the association Dec. 3.

Fort Wayne, Ind.—Louis E. Kelly, director of agencies for Prudential in Indiana and Michigan, was the speaker.

Newark—Will E. Gehman of New England Mutual, Philadelphia, discussed "Building for the Future," at the November meeting of Northern New Jersey association.

Scranton, Pa.—Wesley R. Stevens, director of Prudential agencies in northeastern Pennsylvania, spoke on "How are Your Habits?" outlining the qualifications for success in the insurance field.

Charleston, W. Va.—Harold P. Winter, assistant vice-president of Union Central Life, spoke on "The Future Looks Great."

Binghamton, N. Y.—Harold W. Baird of the New York City office of John Kellam Associates, spoke on "The Business Insurance Road to Life Underwriting Success."

Tulsa—Hal L. Nutt, director of the Purdue course, addressed a luncheon meeting.

Toronto—Dr. Lennox G. Bell, chairman of the department of medicine of University of Manitoba, addressed a public relations luncheon co-sponsored by Institute of Chartered Life Underwriters. Toronto C. L. U. graduates received their diplomas.

New York City—Leon G. Simon, author and lecturer, will discuss the opportunities in business life insurance at the Dec. 4 meeting of the Brooklyn branch. The same date, the Long Island branch will hear Benjamin N. Woodson, managing director of N. A. L. U., speak on "How to Make a Buck."

Washington—H. P. Gravengaard, editor of the Diamond Life Bulletins, will speak on "Sales Ideas on Business Insurance" at the Dec. 4 luncheon meeting of the District of Columbia association, to be held in nearby Silver Spring, Md., as a boost to the new chapter of the association recently organized there. First luncheon meeting of the new year is scheduled at the National Press Club, Jan. 22, when David B. Fluegelman, New York City, N. A. L. U. president, will speak. The Leaders Club held a dinner meeting Nov. 25, with Charles S. Borum as speaker.

Watertown, N. Y.—The Northern New York association at its monthly meeting heard reports of the New York State association meeting at Troy by James F. Stephens and Clarence E. Cooke.

### LIFE INSURANCE RENEWAL COMMISSION LOANS

**At Low Bank Interest Rate**

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**617 U. S. National Bank Building**  
**Denver 2, Colorado**

## COMPANY MEN

### G. M. Brooks to Direct A. & H. of Southland

Glenn M. Brooks has been named manager of A. & H. department of Southland Life, concurrent with the company's expansion in this field.

Mr. Brooks has been supervising assistant manager for north Texas with Travelers. He joined Travelers in 1945 as field supervisor. He is a war veteran, entering the service from Employers Casualty.

### DeHueck Agency Director

George T. de Hueck has joined American Bankers Life as director of agencies. The company began writing credit life and disability insurance covers in September of this year and now is writing in excess of \$10,000 in monthly premiums.

Mr. de Hueck was sales consultant to reinsurance clients of Connecticut General before assuming his present position and has been a leading producer with Lincoln National Life. He also has been insurance adviser to various international unions and a private sales consultant to several life companies.

American Bankers has been licensed in 14 states, and applications for licenses are pending in three additional states.

### Frank Leaves Phoenix

Arthur W. Frank, Jr., formerly with Phoenix Mutual Life in the bond division of the investment department, has joined the investment department of Aetna Fire as an analyst. Before navy service in the last war, he was with the mortgage loan department of Aetna Life.

### State Mutual Names Long

State Mutual Life has named Joe B. Long superintendent of agencies. Mr. Long was formerly manager of agencies for Provident Mutual Life. He has also been a general agent with that company. Before entering the business, he was city editor for Knoxville Sentinel. He is a graduate of University of Tennessee.

### McVey Takes Coast Post

Stanley S. McVey has been promoted to regional supervisor in the western home office of Prudential.

Joining Prudential as an agent in the Rocky Mountain district office at Denver in 1933, Mr. McVey spent his entire insurance career there. In 1947 he was promoted to staff manager.

Teachers Insurance & Annuity has elected three trustees: Elliott V. Bell, editor and publisher of *Business Week*; Sumner H. Slichter, professor of economics at Harvard University, and Richard M. Hurd, executive vice-president of Pringle-Hurd & Company, a former vice-president of Teachers.

## POLICIES

### Equitable Society Raises Non-Medical Limits

Equitable Society agency club members authorized to solicit non-medical business may now write the full \$10,000 limit of non-medical insurance all at one time. The new maximum will be available at issued ages 15 through 35, a 50% increase over the present limit of \$5,000 within a two-year period.

The substantial liberalization follows a careful study of the company's experience with this type of business in the past five years. The present practice of permitting a total of \$5,000 non-medical insurance with a two year period in the 15 through 40 year age bracket and an all-time limit of \$10,000 will be continued for those who satisfy the regular requirements for writing this type of business.

For issue ages 41 to 45 the present limit of \$5,000 will be changed to \$2,500.

### Liberal Life Surrender

Surrenders for cash value will be

allowed at any time by Minnesota Mutual Life. This is a waiver of policy provision under which surrenders have been allowed heretofore only within a limited period after a premium due date. Full guaranteed cash value as of the date to which premiums stand paid will be allowed without discount. Dividends credited and unpaid prior to surrender will be added to the cash value. Any indebtedness, with interest to the date of surrender, will be deducted. There will be no premium refund or pro-rata dividend.

### Ups Retention Limits

Imperial Life of Canada has increased its retention limits. For standard business at the principal insuring ages, 20 to 55, retention limit is now \$75,000, an increase of \$15,000 over the former limit. This limit is graded downward at the younger ages to \$25,000 for ages 0 to 5 and for older ages so that the maximum retained at their own risk at age 70 is also \$25,000.

Limit of retention for double indemnity has been increased from \$25,000 to \$35,000.

Jefferson Standard Life has purchased the Arthur Murray building at Miami Beach for \$415,000, and has leased the property back to the Arthur Murray Dance Studio for 20 years.

## LIFE MANAGERS

### N.Y.C. Managers Will Honor Huebner at Dec. 10 Dinner

New York City managers will honor Dr. S. S. Huebner, president emeritus of American College and retired professor of insurance of Wharton school, at the annual dinner, Dec. 10. Paul F. Clark, president of John Hancock, will make the introduction.

Following the dinner, the association will kick off its new Gridiron Show which will lampoon current issues facing the life business.

Matthew J. Lauer of Continental American Life is planning chairman. Jules Anzel, also of Continental American, and George P. Shoemaker of Provident Mutual Life are chairmen for the show.

### Bell Tells Managers Life Market Is Expanding

Reversing the stand he took in articles and talks of a couple of years ago, Hugh Bell, general agent of Equitable Life of Iowa at Seattle, told a dinner meeting of Indianapolis General



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Agents & Managers' Assn. that he no longer believes the field for the individual sale of life insurance is narrowing but is, on the contrary, actually expanding.

"If we think of the market for the sale of the average type policy as a square pasture, then business insurance, estate planning, pensions, and A. & H. are added pasture land on all four sides of the field," he said.

An agent may devote himself exclusively to these additional covers, or he may move in and out of them as his prospecting warrants. Mr. Bell commented. Actually, he went on, the field for the sale of individual policies has so expanded in recent years that no agent today needs a "sideline" in the form of property and casualty sales.

### Kansas Managers Choose Bert Hedges President

Bert A. Hedges, Business Men's Assurance manager at Wichita, was elected president of Kansas General Agents & Managers Assn. at its inaugural meeting in Wichita. Levi B. Rymph, Columbian National, was elected vice-president, and Robert H. Gardner, Massachusetts Mutual, was elected secretary-treasurer. Both are from Wichita.

Elected to the board were Pendleton A. Miller, New England Mutual, Topeka; Rex Lear, Farmers Life, Salina; O. Lynn Smith, Connecticut Mutual, Wichita, and John M. Carter, Farmers & Bankers, Wichita.

Speakers were Bert Jaqua, educational director, Southern Methodist Institute; Travis Wallace, Dallas, president of Great American Reserve Life, and Mr. Miller.

### Savannah Managers Elect

Caspers F. Smith, Equitable Society, was elected president of General Agents & Managers Assn. of Savannah, Ga. Lee Smith, Carolina Ins. Co., was elected vice-president, and Calvin W. Cherry, New York Life, was named secretary.

### Supervisors Hear Reiter

"Underwriting and Its Problems" was outlined by Bert Reiter, home office underwriter, western home office of Prudential, at a meeting of Life Supervisors Assn. of Los Angeles. He urged a clear presentation of facts, by the prospect and the agent, to assist the underwriter in deciding on an application.

### Names Kunkel, Graham

Midland National Life of South Dakota has appointed Robert L. Graham and Kenneth D. Kunkel general agents at Skokie, Ill., and San Diego, Calif., respectively.

Mr. Graham most recently was a general agent for Central Standard Life and before that was with Illinois Bankers Life in a similar capacity. He has 18 years of insurance experience.

Mr. Kunkel, in insurance since 1939, first was with the California Western States and more recently with Central Standard Life.

### Advances Two Engineers

Prudential has advanced Frank P. Woodruff, director of architecture and engineering since 1930, to executive director, and John B. Kuttler, chief engineer for maintenance and power, to director of architecture.

## ACCIDENT

### A. & H. Premium Expense Not Regulated: Bohlinger

Superintendent Bohlinger told Insurance Brokers Assn. of New York state at its annual dinner that in suggesting to A. & H. insurers that they should use the bench mark of 50% pure loss ratio for individual A. & H. and 45% for individual accident policies, the department absolutely has not intimated, suggested or urged that any part of the expense portion of the premium dollar on these lines be regulated.

Neither the superintendent nor the department has ever sought, and they have no intention of seeking, legislation to regulate the compensation of producers, he declared.

In suggesting 50 and 45%, Mr. Bohlinger said he was using the loss ratios employed by Bureau of A. & H. Underwriters. He is thinking of the public in this connection, he said, and implied that the public isn't being served by contracts with 16 to 20% loss ratios. Neither is the law being observed which provides that the benefits must not be unreasonable in relation to the premium charged on A. & H. policies. The two percentages are bench marks and do not constitute a rule, he said. But it is the superintendent's duty under the law to see that an appropriate loss ratio is maintained.

### Study New A. & H. Line

Key personnel among the general agents for Security Mutual Life of Nebraska met for three days in Lincoln this month to study the company's new line of A. & H. coverage. At the meeting the two winners of the president's month contest presented President T. A. Sick a scroll commemorating the month's production in his honor. The winners, Ralph Hunter and Hans Coordes of Yuma and Fort Morgan (Colo.) respectively, are with the Tom Smeester Denver agency.

life of Stanley Weissman of Los Angeles who was killed in action in Korea. Metropolitan paid the face amount of \$5,000, but objected to the additional payment on the grounds that the clause applies only to accidental death, specifically excluding coverage for death while the insured is in the military service of any country at war.

Jack Weissman, father of Stanley, in a suit filed last month at Los Angeles, contended that the U. S. is not at war with the North Koreans and that Congress alone can declare a state of war.

### Catastrophe Cover Sells, Whittaker Tells Panel

E. B. Whittaker, vice-president of Prudential, in the company relations panel at the L.I.A.M.A. Chicago meeting, said that he thought the most interesting development in the last year is the progress made in medical catastrophe insurance. (Remarks of the other participants in the panel appeared in last week's issue of THE NATIONAL UNDERWRITER).

He explained how a typical plan works and said that there are two basic concepts to make one of these plans work. There is a deductible to cut out small claims, and since this insurance has been written generally where there is an existing base plan, either an insured plan or Blue Cross or Blue Shield, the deductible is made sufficiently high so as to eliminate, for practical purposes, any area of double coverage. The other important factor is that the plan must be sold with the insured himself having financial stake in the bill and paying some part of it. The most common factor of this type of co-insurance is 25%, he said. If there is no coinsurance factor there is a tendency for bills to go out of line. For instance, the fellow will have three private nurses when one would do.

Mr. Whittaker also discussed the cost of the plan and when queried by Panel Chairman Lewis W. S. Chapman, L.I.A.M.A. director of company relations, as to the response of the employees if they have to pay all the cost, said that "it is amazing how they do sign up. They really want this insurance." He said that this was the case even among the lower-salaried employees, that the employees do want this insurance and, oddly enough, it appeals particularly to employees of insurance companies.

Apparently this coverage can be sold. One agent solicited a large drug store firm with 5,000 lives, and he got over 90% enrollment going all the way down.

Generally speaking, the people in the \$5,000 and upward bracket have been paying most or all of the premium very largely because of government restrictions and salary stabilization rules.

### S. E. Actuaries Elect Mays

Walter Mays, Imperial Life, was elected president of Southeastern Actuaries' Club at its annual meeting at Atlanta. Others elected were R. L. Wagner, National Life & Accident, vice-president; Burton E. Moore, South Carolina department, secretary-treasurer, and James Woolery, Occidental Life, and S. E. Allison, Life of Georgia, members of the executive committee.

Among the speakers were Andrew C. Webster, Mutual Life, on "Underwriting," and John Phelps, Lincoln National, on "A. & H. Insurance."

### Names Goldberg, Gernert

Columbian National Life has named Ben L. Goldberg regional manager at Hartford, and Richard S. Gernert manager at Philadelphia.

Mr. Goldberg was formerly with Prudential. He entered the business with that company in 1945. He is a national quality award winner, and an army veteran. Mr. Gernert was with Penn Mutual Life. He is a navy veteran.

## GENERAL AGENCY OPENING in Nebraska

A well-established general agency (nearly \$25,000,000 business in force) of an old and highly reputable billion dollar company now is open in Nebraska. Agency offices are in Omaha, and territory covers most of the state.

A real opportunity for a capable field underwriter who has both aptitude and desire to enter management end of the life insurance business, or for a successful agency head who desires a broader field of operations.

Attractive training and financial arrangements for the men selected. Every modern sales and training aid, together with salary plans, will be provided for the recruiting and training of new agents.

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Life — Health — Accident — Hospital

### Bright Banking Council Head

Joseph E. Bright, pension consultant, was elected president of Buffalo Life Insurance Trust & Banking Council at the annual meeting. He succeeds Howard G. Minich, Manufacturers & Traders Trust Co.

Clifford G. Cox, vice-president of Marine Trust Co., was elected vice-president. Maurice S. Tabor, general agent of Travelers, was chosen secretary, and William C. Uhrhan, Liberty Bank, treasurer.

### Publicize War Clause Action

The wire services have carried the story of Metropolitan's refusal to pay a second \$5,000 under the double indemnity provision of a policy on the

## FRATERNALS

### Name J. C. Lehr as Maccabees President

John C. Lehr, great commander for Michigan, has been named president of Maccabees to succeed the late John P. Stock.

A member of the board, Mr. Lehr started with Maccabees in 1904 as great auditor. Following various promotions, he was appointed Michigan manager in 1947 and a trustee the following year.

Mr. Lehr is former city attorney for Monroe, Mich., and at one time was representative for the second Michigan Congressional district, and later a U. S. attorney for the eastern district of Michigan.

Mr. Lehr graduated with an LL.D. degree from the University of Michigan.



John C. Lehr

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### Texas Congress Elects Mrs. Smith

Elected as president at the annual convention of Texas Fraternal Congress at San Antonio was Mrs. Thelma B. Smith, Dallas. W. H. Winchester, Austin, is the new 1st vice-president; Joe T. Steadham, Austin, 2nd vice-president; Mrs. Clara Pearl Lindsey, San Antonio, 3rd vice-president, and Rex James, Austin, secretary-treasurer.

J. F. Chupick, Fayetteville, was named chairman, and other new board members are C. Robert Young, Dallas; Ruth Liles, Houston, and Harry Nass, San Antonio.

### North Dakota Congress Elects New Officers

Herman Bergeth, Lutheran Brotherhood, Grand Forks, was elected president of the North Dakota Fraternal Congress at the meeting held in Dickinson. He succeeds Frank Webb, Knights of Columbus, Grand Forks.

Other officers elected were John Helm of Fergus Falls, Aid Assn. for Lutherans, 1st vice-president, and Mrs. Belock Roth, Royal Neighbors of America, Flasher, 2nd vice-president. Florence O. Gunderson of Dickinson, Maccabees, was reelected secretary-treasurer.

The officers were installed by Dr. Richard Beck, past president of the Congress and Scandinavian languages and literature professor at the University of North Dakota. Dr. William E. Koenker, chairman of the university's economics department, gave the main address at the evening meeting. States Attorney Muggli of Dickinson was toastmaster, and Francis Reichert, attorney, gave the welcoming address. Mrs. Ulma Moss, supreme junior director of Maccabees, spoke on "The Men and Women of Tomorrow."

Commissioner Jensen spoke at an earlier session of the congress.

### Plan Chicago Meeting

Fraternal Underwriters Assn. of Chicago at a luncheon meeting Jan. 20, will hear a talk on "Government Administration in Action" by Prof. Walter Vahl of Concordia Teachers College. There also will be a group discussion by agents who recently attended the Purdue course.

Officers will be elected.

### Payne New General Agent For Lincoln National

L. D. Payne has been appointed general agent at Des Moines for Lincoln National Life to succeed J. D. Karns, who will devote his full time to personal production.

Mr. Payne entered the insurance business at Des Moines in 1936 and during recent years has been state supervisor for Penn Mutual Life. He is a regional vice-president of Iowa Assn. of Life Underwriters and a vice-president of the Des Moines association.

### Snider Retires at Tacoma

P. M. Snider is retiring as general agent of Aetna Life at Tacoma, Wash., and will be succeeded by Burnley H. Wilson. Mr. Snider, general agent at Tacoma since 1930, is relinquishing the management of the agency to devote his time to his personal clientele. A former banker, he has served as an officer of Tacoma Life Insurance-Trust Council, vice-president of Washington

Life Underwriters Assn. and as president of the Tacoma association.

Mr. Wilson has been with Aetna Life's Portland, Ore., agency for six years, having served as assistant general agent since 1949.

### Pacific Mutual Advances Gilbert, Gillespie, Bishop

Three agency department promotions have been made by Pacific Mutual Life.

Erle T. Gilbert is advanced from assistant superintendent to superintendent of agencies. He became a home office agency executive a year ago, following 25 years in field management, including nine as a Pacific Mutual general agent.

W. W. Gillespie, director of agency finance, becomes assistant superintendent of agencies. With Pacific Mutual since 1925, he served as assistant cashier at Chicago, later became a partner in the Rappaport agency there, and went to the home office in 1944.

Wayne S. Bishop, manager of sales promotion, has been advanced to assistant superintendent of agencies. Mr. Bishop joined the home office staff in 1951 and was placed in charge of sales promotion a year ago.

### Sun of Md. Was Company

An article in the Nov. 14 issue dealing with Postal Life's newspaper advertising incorrectly listed Sun Life of Canada as one of several other companies that have recently run similar advertising campaigns.

The Montreal company has long been a user of newspaper advertising on a share-the-cost basis with local representatives but the particular campaign referred to in the article was that of Sun Life of Baltimore.

### H. O. Underwriters to Meet

Chicago Home Office Life Underwriters will feature a panel discussion, with Vi Drake of North American Accident as moderator, at the Dec. 3 meeting. Clifford Davidson, Mutual Trust Life, will discuss female risks as related to waiver of premium, payor benefit and term insurance; Wesley Hunnell, president of Pilgrim National Life, will cover liberalization on non-medical limits, and Bernard Rogers, Washington National, will handle liberalization on occupational ratings.

### Gives Economic Resume

George N. Wade, Ohio National Life, Harrisburg, a member of the Pennsylvania senate and chairman of the senate insurance committee, addressed the Philadelphia A. & H. Assn. at the November meeting on national economics as they affect the A. & H. business. Thorn W. Mock, president of National A. & H. of Philadelphia, gave a brief report on the recent meeting of the directors at Chicago.

TRAVELERS has voted a quarterly dividend of \$3 and a special of \$2, both payable Dec. 12 to stock of record Nov. 28. This is the same as the distribution in 1951.

Am interested in buying life insurance company with capital stock up to ten million dollar value. Reply treated strictly confidential. Address P-19, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

### FOLLMAN N.Y.C. SPEAKER

### Eastern Claim Men Hear of A. & H. Responsibilities

The responsibility of A. & H. insurance from various standpoints was described by J. F. Follman, Jr., general manager of Bureau of A. & H. Underwriters, at a meeting at New York City of Eastern Life Claims Conference.

Mentioning that the attitude of company management goes a long way in determining to what degree public accepts this form of insurance, Mr. Follman said insurers must submerge competitive interest in the broader interest of the entire business. There is no room for high-pressure salesmanship, he noted, adding that companies must select agents of high caliber and proceed to afford them the type of training resulting in sound knowledge of coverages rather than "merely enough information to pass a licensing examination."

Advertising is a subject deserving of close attention in the A. & H. field, the speaker said. Very easily could A. & H. insurance be cheapened in the minds of the public unless there is complete absence of fraudulent or misleading advertising.

"There is little doubt," he went on, "that A. & H. will not enjoy the high opinion it deserves until the level of advertising methods sometimes used have been elevated in their general standards."

Mr. Follman referred to the growth of A. & H. insurance, pointing out how the contracts themselves have undergone refinement so as to best meet the needs of the people. Also, he noted that credible underwriting experience now has been established, enabling companies to insure as many persons as possible for amounts of coverage as realistic in relation to their needs.

### Gives Recruiting Tips at L. A.

Some tips on recruiting were given at a meeting of Life Insurance Managers Assn. of Los Angeles by Ralph G. Englesman, former New York City general agent of Penn Mutual Life, now a life insurance sales consultant.

Ability to closely screen prospective agents was held out by Mr. Englesman as being one of the most important qualities for a manager. He advised cultivation of an "employer attitude", putting the applicant in the position of having to sell himself. He advised setting aside definite times for concentrated recruiting, especially since it makes it possible training of new men on a group basis.

Charles E. Cleeton, Occidental Life of California, past-president of National Assn. of Life Underwriters, explained the condition of that organization's memorial building fund, urging the managers to contribute.

### Cherrits Get Group Post

Jack R. Cherrits has been appointed a home office representative for the group division of United States Life. An army veteran, Mr. Cherrits entered the insurance field with Prudential in 1934.

Bankers National reports new paid-for ordinary business during the first ten months of 1952 is over 35% more than that for the same period last year, with an increase of insurance force 60% greater than in 1951. Average sized ordinary policy sold during this period was \$6,032.

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## DeWitt to Be Randall Successor for Travelers

(Continued from page 1)

ly made assistant secretary of the compensation and liability department. In 1927 he was promoted to secretary of his department and seven years later was elected vice-president of Travelers Indemnity, and in 1944 a director of Travelers companies.

When L. Edmund Zacher died suddenly in 1945, Mr. Randall was elected president. During his stewardship he has brought the companies through a period of tremendous growth despite the complexities incident to the ending of the war and the no less complicated post-war period.

Mr. DeWitt was born in Sully, Ia., and attended Drake University. He served in the navy during World War I joining Travelers in 1925 as an investigator in the claim department at Des Moines. Mr. DeWitt was transferred to the life, accident and group claim department at the home office in 1927. He was appointed an examiner in 1929 and assistant manager of that department in 1933. In 1937 he went to New York as supervising adjuster in charge of all life, accident and group claims in the metropolitan area, then returned two years later to the home office. In 1943 he was named secretary in charge of all claim departments.

Mr. DeWitt was chosen by Mr. Randall to become the latter's assistant in 1945 with the title of assistant to the president. Five years later he was elected vice-president of all Travelers companies.

An avid collector of presidential campaign memorabilia, Mr. DeWitt was largely responsible for the "America Goes to the Polls" exhibit which drew more than 22,000 visitors to the home office during the weeks preceding the election. He is a member of the American Numismatic Society, American Numismatic Assn. and the Hartford Numismatic Society. He is the author of many articles on American Historical Numismatics. He is president of the Hartford Club, a member of the Hartford Golf Club, A. & H. Club of New York, American Legion and the Twentieth Century Club.

Mr. DeWitt was president of Eastern Life Claim Conference in 1939 and 1940, and was chairman of the executive committee of International Claim Assn. in 1942 and 1943. It was during this period that the war claims liaison committee was established. He was president of International Claim Assn. in 1943 and 1944.

Mr. DeWitt received a Freedoms Foundation Honor Medal Award in 1950 for a story he wrote extolling the private enterprise system. He received a certificate of merit from the Hartford Chamber of Commerce in 1951. He is a trustee of Hillyer College.

Mr. DeWitt resides with his wife in Bloomfield. They have a daughter, Patricia, who is attending school at Middlebury College and a son, John, who is attached to the 82nd airborne division at Fort Bragg, N. C.

## CIO Sees Expense Law Verdict as Partial Victory

(Continued from page 1)

tory limits, even though the agreement were made subject to the law's being held inapplicable. Such an agreement would obligate the company to test the constitutionality of the law by seeking a declaratory judgment. The company believes in an expense limitation statute and has indicated unequivocally to the union that the company is not going to be a party to any move to upset the statute's constitutionality.

Under the two-year collective bargaining agreement effected by Hancock

and the CIO in 1951, there were two periods specified during which the contract could be reopened. The first was last spring. The second started Oct. 1 and would terminate Dec. 1 but was extended at the union's request to Dec. 15.

The Hancock has indicated no unwillingness to discuss the wage question but has insisted, against strong

union opposition, on making a transcript of the bargaining negotiations. Thus, if the union should insist on citing the company to the NLRB, the Hancock would have hard-to-dispute evidence to back up its contention that it was not guilty of unfair labor practices in refusing to increase its wage scale, but that on the contrary it had good reason for its stand.

## SALES IDEAS

### Curbing of Lapsing Policies is Called

### Vital to Companies

About 175 life agents, attending Central Texas Sales Congress at Waco, were warned that lapsing life insurance policies is resulting in a heavy loss in business. The speaker was Hollis L. Manley, Jr., assistant manager Amicable Life, Abilene, who urged his audience to spend more time profitably conserving business rather than writing new policies.

The largest lapse rate has been in first and second year business, he said, and the results are loss of renewal commission to the agent and loss, as well, to the company. This is not all, however, he said, for further loss is suffered in ill-will generated by the policy-holder, which can be damaging to the underwriter's reputation.

The higher the income of the buyer and the older he is, the greater is the chance he will hold on to his policy, Mr. Manley said. In studying payment classifications, it was found, he said, that the monthly payment group showed the highest lapse ratio.

Paul E. Willman, Great Southern Life, Seguin, graphically proved his points developed in his talk on "Work Habits" by saying that during the current club year he wrote \$785,258 in paid business, and has paid for \$5,000 or more for 147 weeks.

Mr. Willman called for confidence on the part of the insurance man, an awareness of his responsibilities to the prospect and to his own job. The insurance man should set a goal which is higher than what he is liable to achieve, Mr. Willman urged.

Graciousness toward the prospect is all-important, he said. This includes a faith in one's self which can be transferred to the potential policy-holder, showing the prospect that the insurance man himself carries his own insurance program, the use of visual selling aids, and attention to personal appearance.

The agent should devise a schedule for himself and stick to it, Mr. Willman said, and an interview with a prospective buyer should be carried out in the proper frame of mind.

A similar theme was developed by Norval S. Pierce, manager, Metropolitan Life, Houston, who cautioned the insurance man to be sincere, adopt the positive attitude on the job, and study insurance texts so that he radiates confidence.

### Avoids Prospect's Cat-Mouse Game

The successful life insurance agent must be courageous to remain alive in the cat-and-mouse game played with him by the average prospect, according to Urban Poindexter, retired assistant director of agencies of Northwestern Mutual Life. Courage is the agent's greatest asset, Mr. Poindexter writes in the company magazine, Field Notes, and increased assets, he avers, mean more profits.

Human nature being what it is, the prospect feels that the producer is fair

game for his wit and sarcasm, and that, as a prospect, he has the right to irritate the producer by making the interview unpleasant.

Mr. Poindexter explains the prospect's barbs as the accepted attitude to be assumed toward an agent. No one, he says, is free from salesman baiting. Most people feel that if they are going to spend their money they have a right to make the producer somewhat miserable.

To keep from being pawned out of business, the producer should be fairly ruthless, in his direction. He cannot be all sweetness and light because few men in the business succeed out of gentleness and courtesy.

He must ask personal questions to get to the facts, for without them he cannot find the problems. Finally, without the solution of problems there can be no sale, writes Mr. Poindexter. When the prospect says "Can't afford it," the overly courteous caller will reply, "Quite so," and departs. The aggressive producer asks, "Why not?" The prospect replies, "I can save better elsewhere." The nice guy says, "No doubt you can," but the live-wire, in hot pursuit, asks "Where?" or "You haven't thus far, so whom are you kidding?"

Again, the retiring agent wouldn't question the prospect when he claims that he has enough insurance. The successful producer, on the other hand, thinks maybe yes and maybe no, and probes for the answer.

Mr. Poindexter emphasizes that the agent can be honest, trustworthy, competent, decent and helpful, without being "mamby-pamby."

He says that there is a time to lay the proposition on the line, to get in with it, or to get out. Few people believe in long engagements. They marry or find another prospect. The agent can have tact and humility, and graciousness with a courteous manner, without vacillation. He can plow through long, get-nowhere interviews rapidly by stating his business, finding the problem, and solving it.

A producer cannot be afraid and confident. He must know his company and his policies well enough to command the respect of the prospect. He must have the ability and the courage to tell his story forcefully and persuasively with interest. He must feel that the sale can be made and that he will make it.

### BBB Men Are Heard

Harry W. Riehl, president of the St. Louis Better Business Bureau, and William C. Rosenbaum, investors division manager of the bureau, spoke on "Building Public Confidence in Insurance" at a meeting of A. & H. Underwriters Assn. of St. Louis Nov. 20. They explained how modern business, including the insurance companies, are subjecting themselves to strict selling censorship for the purpose of protecting consumer confidence in their advertising and business dealings.

### Fort Wayne Council Elects

Fort Wayne (Ind.) Estates Planning Council has elected Ward E. Dildine, president; Walter W. Peterson, vice-president; Richard W. Goshorn, secretary, and Carl E. Lipp, treasurer.

Paid production through the third quarter for Old Line Life amounted to \$11,314,790, and brought insurance in force to \$151,503,349.

## GRANDMOTHER'S A DEAR— *If She Has Her Own Income*

BUT WILL SHE always be a blessing and not a burden? Well, will she always have income, or won't she?

It's a simple question. Occidental has a simple answer.

When a man buys a retirement policy to assure his own old age income, we add a rider to protect his wife, too. Called *Continuance to Beneficiary*, this rider guarantees that when the policy matures and income starts, the full amount will continue as long as either insured or beneficiary lives.

Grandmother may outlive granddad like the mortality table says. She may also outlive the certain period in his policy. But she'll never outlive the income under an Occidental *Continuance to Beneficiary* rider.

*"A Star in the West..."*



Occidental  
Life

INSURANCE COMPANY OF CALIFORNIA

HOME OFFICE • LOS ANGELES  
W. B. STANNARD, Vice President

"WE PAY AGENTS LIFETIME RENEWALS... THEY LAST AS LONG AS YOU DO"

MORE THAN 1,800,000 POLICIES IN FORCE



of Canada

*the record  
speaks for  
itself*

During its 57 years of operation, Kansas City Life has paid more than \$238,000,000 to policy-owners and their beneficiaries.

Thus we measure our success by our record of service to the public.

KANSAS CITY LIFE INSURANCE  
COMPANY

territory in 39 states and the District of Columbia

 **thrilling...** to present, are Pacific Mutual's complete personal protection plans. One reason—ACCIDENT & SICKNESS DISABILITY INCOME stirs the professional pride of the career agent.

**Pacific  
Mutual**

LIFE INSURANCE COMPANY  
HOME OFFICE—LOS ANGELES, CALIF.  
Doing business only through General Agencies  
located in 41 states and the District of Columbia



Here's a *new* policy with *new* sales appeal for the Juvenile market.

- ✓ National Life's Estate Builder, issued to children aged 0 to 14\*, *increases 5-fold in face amount at age 21.* (Premium remains level to age 65.)
- ✓ When age 21 is reached, *no further evidence of insurability is required*, regardless of health, occupation, war or aviation hazards.
- ✓ The Estate Builder builds reserves quickly. *More cash is available for education or emergencies.*
- ✓ The Estate Builder teaches a practical lesson in thrift—*has more appeal to parents and grandparents.*
- ✓ Today's high estate taxes encourage gifts to children and grandchildren—*open more sales opportunities for the Estate Builder.*
- ✓ The very substantial cash values which this policy builds up *may be taken in cash or used to provide a life income at retirement.*

\*New York ages 5 to 14

The Estate Builder is a brand new policy. And it's one of the most appealing contracts ever offered. We urge you to learn more about it. If you are a full-time agent of another life company, we solicit only surplus and special business not acceptable to your company.

**National Life of VERMONT**  
*Insurance Company*      *Montpelier*

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